ANNUAL REPORT OF THE

FEDERAL DEPOSIT INSURANCE CORPORATION

1968

LETTER OF TRANSMITTAL

FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, D. C., May 1, 1969

SIRS: Pursuant to the provisions of Section 17(a) of the Federal Deposit Insurance Act, the Federal Deposit Insurance Corporation is pleased to submit its report for the calendar year 1968.

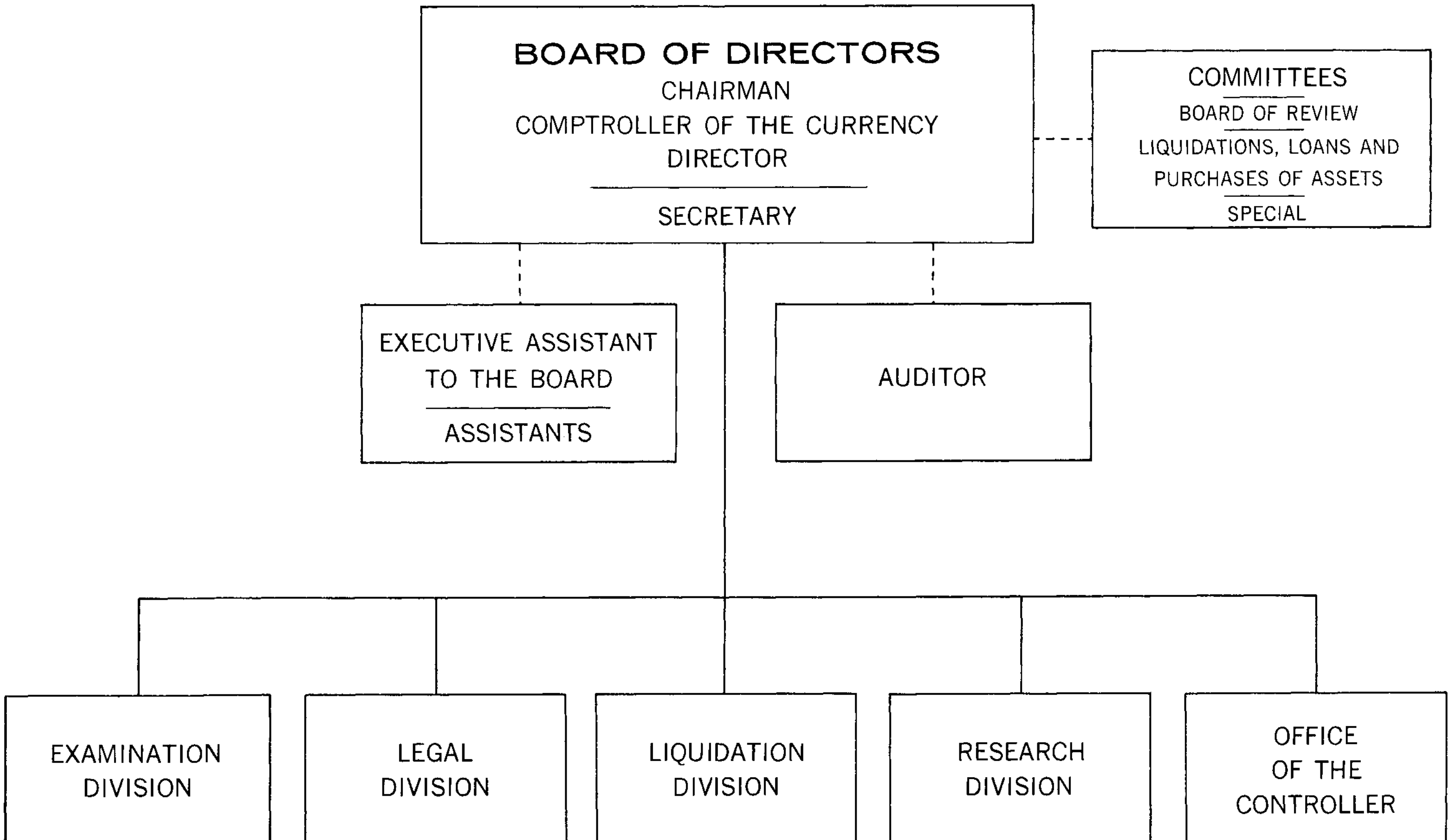
Respectfully yours,

K. A. Randall

K. A. RANDALL,
Chairman

THE PRESIDENT OF THE SENATE
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

FEDERAL DEPOSIT INSURANCE CORPORATION



FEDERAL DEPOSIT INSURANCE CORPORATION

BOARD OF DIRECTORS

Chairman - K. A. Randall

Director - Irvine H. Sprague

Comptroller of the Currency - - - - - - - - - - - - - - - - William B. Camp

OFFICIALS

Assistant to the Chairman - - - - - - - - - - - - - - - - - - John L. Flannery

Special Assistant to the Chairman - - - - - - - - - - - - - - - - Lynn Mah

Special Assistant to the Chairman for Mutual Savings Banks - - - - - - - - - - - - - - Raymond T. Cahill

Assistant to the Director - Alan R. Miller

Special Assistant to the Director - - - - - - - - - - - - - - John F. Burby

Assistant to the Director (Comptroller of the Currency) - - - - - - - - - - - - - - - Albert J. Faulstich

Chief, Division of Examination - - - - - - - - - - - - Edward H. DeHority

General Counsel - Leslie H. Fisher

Controller - Edward F. Phelps, Jr.

Director, Division of Research - - - - - - - - - - - - - - - Paul M. Horvitz

Chief, Division of Liquidation - - - - - - - - - - - - - - - - John J. Slocum

Secretary - E. F. Downey

Auditor (Acting) - John D. Roderick

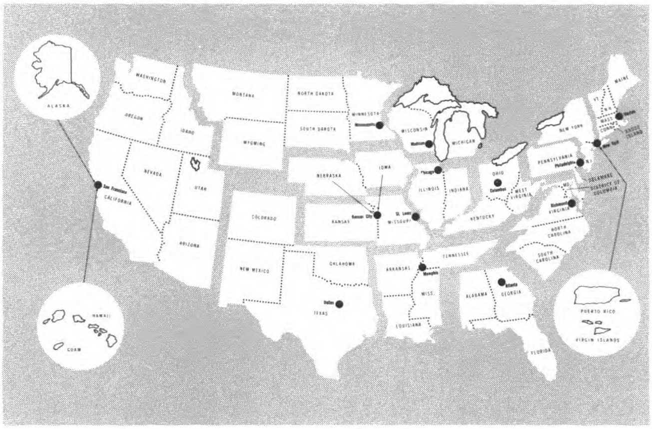
Senior Advisor to the Board - - - - - - - - - - - - - Raymond E. Hengren

Executive Assistant to the Board - - - - - - - Timothy J. Reardon, Jr.

Assistant to the Board - - - - - - - - - - - - - - - - - - William M. Moroney

May 1, 1969

FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICTS



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BANKING DEVELOPMENTS

PART ONE

Insured commercial banks experienced substantial growth in deposits, earning assets and income in 1968. Total deposits increased almost 10 percent while total assets increased 11 percent and reached a year-end level of $500 billion. Net current operating earnings were up 17 percent compared with 1967 while net after-tax income rose 9 percent.

ECONOMIC AND FINANCIAL DEVELOPMENTS

The economic and financial environment in which banks operated in 1968 was one of sustained growth. Total output advanced throughout the year, unemployment remained at an extremely low level and there was strong evidence of excess demand in goods and labor markets. As a result there was considerable pressure on the price level. While total goods and services produced increased by 9 percent in 1968, almost half of this gain was accounted for by price increases. Still, the "real" gain in output of 5 percent in 1968 compared favorably with the increase in 1967 and "real" increases in most other recent years.

The advance in output was somewhat greater in the first half of 1968 when a significant increase in spending came from both the public and private sectors. Interest rates, which had been on the rise since mid-1967 continued to advance through the spring of 1968. Monetary policy was generally restrictive. The Federal Reserve raised the discount rate twice—from 4½ to 5 percent in March and to 5½ percent in mid-April.

On April 19, the Federal Reserve's Regulation Q was changed, and the Corporation revised its Regulation 329, to provide for new maximum rates on certificates of deposit ranging up to 6¼ percent for large CD's with maturities of 180 days or more. This action was necessary to stem the heavy losses of large CD's from banks as the margin widened between market rates and the existing CD ceiling rates.

By late spring, as chances improved for tax legislation, credit market conditions eased and interest rates began to decline. The Revenue and Expenditure Control Act of 1968, enacted at mid-year, provided for a 10 percent surcharge on individual and corporate income taxes and placed restraints on Federal expenditures. The effect of the legislation was to bring Federal expenditures and revenues roughly into balance in the second half of calendar year 1968 and to lessen the expansionary impact of the Federal budget. However, private demand remained very strong with the result that the pace of economic expansion slackened only modestly in the second half of the year. During this latter period, the unemployment rate actually declined and pressure on consumer prices increased.

By early fall, financial markets began to react to the continued strength in private demand in nonfinancial as well as financial markets. Interest rates began to increase and, by the end of the year, rates generally were at levels above the highs achieved in May. At year-end the pace of the interest rate rise was accelerating. The discount rate which had been lowered in August was raised again to 5½ percent in December. The commercial bank prime rate was raised to 6¾ percent in December and to 7 percent during the first week in 1969. The rate had been raised from 6 to 6½ percent in the spring of 1968 and reduced to 6¼ percent by most banks in September.

BANK PERFORMANCE IN 1968

Assets and liabilities of commercial banks. Loans and investments of insured commercial banks rose 11.5 percent in 1968, an advance virtually identical with that experienced in 1967. Loans increased by more than 12 percent with each of the major loan components sharing about proportionately in the gain. Bank investments rose almost 10 percent, with most of the rise accounted for by an $8.6 billion (17 percent) increase in tax-exempt securities, which have continued to represent a growing share of bank investments.

The increase in demand deposits of $18.4 billion almost matched the record post World War II advance experienced in 1967. While the time deposit gain in 1968 was well below the 1967 advance it still amounted to a substantial 11 percent. Once again the largest gain occurred in consumer certificates of deposit and open accounts. While savings deposits grew by $1.7 billion (less than 2 percent) other IPC time deposits increased about $16 billion—more than 23 percent. If large denomination CD's are eliminated from these figures the gain in other (largely consumer) time deposits increases to about 27 percent. By year-end 1968, savings deposits accounted for only about 46 percent of total time and savings deposits at commercial banks, whereas as recently as December, 1962 the comparable figure had been 80 percent. Savers continued to shift funds from savings deposits into various higher paying savings instruments in 1968. Special notice accounts, so-called "Golden Passbook" accounts, in most cases paying the 5 percent ceiling rate permissible on such instruments, appeared to be particularly favored by individual savers.

Banks experienced net runoffs of large denomination CD's during the early months of 1968. The increases in interest rate ceilings in April and declines in competing money market rates following the enactment of the surtax strengthened the competitive position of large CD's, and their volume expanded sharply during the summer and early fall. As the end of the year approached, however, higher money market rates once again began to draw funds away from the banks. For the year as a whole, large denomination CD's increased by about $2.5 billion, but the decline that started in December 1968 continued into 1969.

The relative shift of funds away from savings deposits (with a 4 percent ceiling) and the higher maximum rate payable on large denomination CD's contributed to an increase in the average interest cost of time deposits. Interest paid amounted to 4.48 percent of average time deposits in 1968 compared with 4.24 percent in 1967.

"Other liabilities" of insured commercial banks increased by more than $8 billion. This was largely the result of an increase in Federal funds borrowing and other, including overseas, borrowing.

Bank earnings. Current operating revenue of insured commercial banks increased by 17 percent in 1968, reflecting the combination of an increase in earning assets and a higher average return on assets as a result of higher interest rates. The return on average total assets was 5.44 percent in 1968 compared with 5.17 percent in 1967.

The percentage increase in current operating expenses was slightly below the gain in operating revenue. The percentage increase in the interest cost of time deposits and other expenses, including the cost of borrowed money and the purchase and rental of machines and other equipment exceeded that for current operating revenue, whereas the cost of salaries and employee benefits rose only 12.5 percent.

Net current operating revenue rose 17.1 percent. However, "below the line charges", principally security losses, increased substantially. As a result, net income after taxes increased by only 9 percent. Net losses on securities amounted to about $460 million in 1968 compared with a negligible amount in 1967. If the effect of security losses is eliminated and tax liabilities are adjusted upward accordingly, the advance in net profits in 1968 compared with 1967 becomes 15-16 percent—more in line with the increase in current operating revenue and net operating revenue.

Banks increased their dividends on common stock by 11 percent in 1968. Total dividends of almost $1.5 billion represented about 43 percent of net after-tax income, a slightly higher percentage than in 1967. Retained earnings of $1.8 billion accounted for most of the 7.7 percent rise in bank capital. Since this was less than the percentage increase in bank deposits and assets, bank capital ratios declined somewhat in 1968.

The 1968 relationship of bank capital and assets compared favorably with most recent years. The ratio of net current operating earnings to average assets was higher in 1968 than in any year since 1962. Even with the relatively sizable security losses experienced in 1968 and the impact of the surtax, the ratio of net after-tax profits to average assets was higher in 1968 than in any of the previous five years except 1967. The ratio of net after-tax profits to average capital accounts, which is favorably affected by the somewhat reduced capital ratio, was 9.7 percent—higher than any year since 1960. Use of an earnings figure more in line with bank statements (omitting security losses, net increase in bad debt reserves, and adjusting taxes accordingly) raises the rate of return on bank capital to about 11 percent.

In some respects, the earnings experience in 1968 follows a pattern that has been in evidence for some time. The return per dollar of earning assets has increased and so have expenses, particularly the interest cost on time deposits. While the percentage of operating revenues going into profits has been declining, the ratio of after-tax profits to assets has remained relatively stable.

Mutual savings banks. Deposits of insured mutual savings banks rose by 7.5 percent in 1968 to $56.9 billion. The gain was less than that experienced in 1967 when competition from financial market instruments was somewhat less intense. Mutual savings banks continued to purchase considerable amounts of corporate bonds in 1968 and their holdings of such securities rose by more than 20 percent. Current operating revenue of mutual savings banks increased by more than 12 percent reflecting not only the gain in assets but an increase in the ratio of operating revenue to average assets to 5.42 percent in 1968 from 5.23 percent in 1967. Since average interest payments on time and savings deposits rose very little in 1968, net income after interest payments increased substantially from the very low level experienced in 1967.

Net additions to surplus accounts amounted to $223 million in 1968 compared with $96 million in 1967. Despite this increase, additions to surplus were not sufficient to prevent a further decline in the ratio of surplus to deposits, although by the end of 1968 mutual savings banks appeared to be moving in the direction where they would be able to forestall further declines in the ratio of surplus accounts to deposits.

Number of banks. During 1968, the number of commercial banks and non-deposit trust companies declined by 43, and mutual savings banks declined by two, reducing the total number of banks to 14,199 at the end of the year. However, there was a substantial increase in commercial bank branches, which numbered 19,222 at the end of the year. The 1968 increase brought the total number of commercial banking offices to 32,920—a net gain of 1,060.

Nineteen commercial banks and non-deposit trust companies changed from noninsured to insured nonmember status in 1968. There was a net reduction of 42 in the number of national banks, a reduction of 51 State member banks, and an increase of 64 insured nonmember banks. Changes in number of banks and branches during 1968 are shown in table 101 in Part IV of this report.

FEDERAL LEGISLATION

Regulation of interest rates. Federal banking legislation enacted during 1968 included Public Law 90-505 (82 Stat. 856), approved September 21, 1968, which extended for one year from that date the temporary legislation enacted in 1966 to give the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Federal Home Loan Bank Board flexible authority to regulate the maximum rates of interest and dividends which may be paid by insured banks and savings and loan associations. The regulatory authority of the agencies also was broadened to cover all aspects of the payment and advertisement of interest and dividends on deposits and share accounts, This Act, in addition, made permanent the provisions of the 1966 law relating to the purchase of obligations of Federal agencies by Federal Reserve banks and the reserves required to be maintained by member banks against time deposits, and contained minor amendments to the laws governing Federal Reserve bank loans and discounts.

Bank Protection Act. Prompted by the increase in the number of robberies against financial institutions, Congress enacted the Bank Protection Act of 1968 (Public Law 90-389, 82 Stat. 294), which was approved by the President on July 7, 1968. The Act directs the Corporation, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Home Loan Bank Board to promulgate rules establishing minimum standards with which banks and savings and loan associations subject to their supervision must comply "with respect to the installation, maintenance, and operation of security devices and procedures, reasonable in cost, to discourage robberies, burglaries, and larcenies and to assist in the identification and apprehension of persons who commit such acts." The rules must include time limits for compliance with the prescribed standards and a requirement for submission of periodic reports. Institutions violating the rules are subject to a civil penalty of not more than $100 for each day of the violation. The Act also directs the supervisory agencies to consult with the insurance industry and insurance regulatory agencies to determine the feasibility of premium rate differentials based upon security devices and procedures, and to report to Congress the results of such consultations.

Amendments to the Securities Exchange Act. Amendments to the Securities Exchange Act of 1934 contained in Public Law 90-439 (82 Stat. 454), approved July 29, 1968, prescribed additional requirements with respect to the equity securities of corporations, including some banks, which must be registered under section 12 of that Act. The requirements are designed to compel the disclosure of pertinent information and to afford other protection to stockholders when a person or group of persons seeks to acquire a substantial amount of a corporation's securities, either by a tender offer or through open market or privately negotiated purchases, or when a corporation repurchases its own securities. Insofar as banks are affected, the administration of the new legislation, as in the case of the disclosure requirements enacted in 1964, is vested in the three Federal bank supervisory agencies, with the Federal Deposit Insurance Corporation having this responsibility for insured State nonmember banks. Another amendment to the Securities Exchange Act of 1934 which affects banks was made by Public Law 90-437 (82 Stat. 452), also approved July 29, 1968, under which the authority of the Board of Governors of the Federal Reserve System to regulate the amount of credit which banks and other lenders may extend for the purpose of purchasing and carrying securities was broadened to cover securities traded "over the counter", as well as those listed on national securities exchanges.

Housing and Urban Development Act of 1968. The Housing and Urban Development Act of 1968 (Public Law 90-448, 82 Stat. 476), approved August 1, 1968, contained numerous amendments to the banking laws. Included among them were various amendments to section 24 of the Federal Reserve Act which broadened the powers of national banks with respect to real estate loans. There also were amendments to section 5136 of the Revised Statutes which added certain revenue obligations and other securities to the classes of securities which national banks may deal in and underwrite (and to that extent Federal limitations upon State member banks were removed). Another amendment to section 5136 authorized national banks to issue securities guaranteed by the Government National Mortgage Association under section 306(g) of the National Housing Act and backed by pools of Federally insured or guaranteed mortgages. In the same connection, section 21(a) of the Banking Act of 1933 was amended to remove a criminal prohibition against the issuance of such securities by any bank.

Consumer Credit Protection Act. The Consumer Credit Protection Act (Public Law 90-321, 82 Stat. 146), approved May 29, 1968, has broad applicability to banks and to others engaged in the extension of credit. Included in it, as Title I of the Act, is the Truth in Lending Act which requires the disclosure of the terms of consumer credit transactions and regulates consumer credit advertising. The disclosure requirements are designed to furnish information concerning the cost of credit which will prevent consumers from being misled and enable them to make meaningful comparisons. The Federal bank supervisory agencies, including the Corporation, are given the responsibility for administrative enforcement of the Truth in Lending Act with respect to the banks subject to their supervision. In addition to the Truth in Lending Act, the Consumer Credit Protection Act includes Title II, relating to extortionate credit transactions, Title III, restricting garnishment of wages, Title IV, creating the National Commission on Consumer Finance, and Title V, containing general provisions.

Text of statutes and regulations. The pertinent provisions of the foregoing statutes (except the Consumer Credit Protection Act), and the amendments to regulations and interpretative rule described in Part II, together with a summary of significant State banking legislation, are presented in Part III of this report.

OPERATIONS

OF THE CORPORATION

PART TWO

DISBURSEMENTS TO PROTECT DEPOSITORS

Banks failing in 1968. The Corporation made disbursements of $5 million during 1968 to protect depositors of three banks in serious financial difficulty. The three banks held deposits amounting to $22.5 million (Table 1). Depositors were protected in full when the liabilities of each of these banks were assumed by newly organized banks. As is customary in such cases, the Corporation, by purchase or loan, acquired those assets of the distressed banks which were unacceptable to the assuming banks, enabling the

Table 1. INSURED BANKS CLOSED DURING 1968 REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION[1]

Deposit assumption case number	Name and location	Date of closing	Number of depositors' accounts	Amount of deposits (in thousands)[2]	FDIC disbursement (in thousands)
Total	. . . .	. . . .	**12,850**	**$22,524**	**$5,053**
191	Lorenzo State Bank Lorenzo, Texas	February 7, 1968	2,179	5,612	1,552
192	Central National Bank of Jacksonville, Jacksonville, Florida	May 27, 1968	8,091	11,757	2,476
193	Bank of Commerce, Tonkawa, Oklahoma	September 25, 1968	2,580	5,155	1,025

[1] Figures adjusted to and as of December 31, 1968.
[2] All deposits were made available in full through assuming banks.

latter to accept all the depositor liabilities of the failing banks. During the 35 years of its operations the Corporation has made disbursements to protect depositors in 473 failing banks. These banks had over 1.6 million depositors or accounts and had total deposits of nearly $839 million (see Table 2). Data on the extent and method of deposit insurance protection appear in Table 3.

Deposit insurance participation and coverage. At the end of 1968, about 97 percent of all operating banks in the United States were insured by the Corporation. A total of 210 commercial banks and trust companies were noninsured and, of the 167 noninsured mutual savings banks, 166 were located in the State of Massachusetts and were covered by that State's insurance program.

The maximum amount of deposit insurance per depositor in any insured bank, set initially by statute at $2,500, was raised to $5,000 in mid-1934, to $10,000 in 1950, and on October 16, 1966 to the present level of $15,000. Under the Federal Deposit Insurance Act, as amended, each depositor is now insured up to $15,000 on the aggregate of deposits maintained in the same right and capacity in an insured bank.

With the increases in the maximum insurance available to each depositor, all except a very small percentage of accounts continue to be fully insured. The Corporation's survey of deposits as of June 29, 1968 showed that 98.5 percent of the 213 million accounts in all insured banks were fully protected by Federal deposit insurance.

The average size of the 1.5 percent of accounts not fully covered greatly exceeds the insurance maximum per depositor; thus the insurance coverage is considerably greater in terms of number of accounts than in terms of the dollar amount of deposits. On June 29, 1968, $272 billion, or 60.0 percent of $453 billion in total deposits in insured banks, were covered by Federal deposit insurance. Survey findings indicate that insured deposits would have totaled about $247 billion had the previous $10,000 ceil-

Table 2. PROTECTION OF DEPOSITORS OF INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1968

Item	All cases (473 banks)		Deposit payoff cases (280 banks)		Deposit assumption cases (193 banks)	
	Number or amount	Percent	Number or amount	Percent	Number or amount	Percent
Number of depositors or accounts—total[1]	**1,645,440**	**100.0%**	**501,991**	**100.0%**	**1,143,449**	**100.0%**
Full recovery received or available	**1,641,115**	**99.7**	**497,666**	**99.1**	**1,143,449**	**100.0**
From FDIC[2]	1,595,428	96.9	451,979[3]	90.0	1,143,449	100.0
From offset[4]	39,873	2.4	39,873	7.9	. .	
From security or preference[5]	2,960	.2	2,960	.6	. .	
From asset liquidation[6]	2,854	.2	2,854	.6	.	.
Full recovery not received as of December 31, 1968	**4,325**	**.3**	**4,325**	**.9**	.	. .
Terminated cases	3,298	.2	3,298	.7	.	.
Active cases	1,027	.1	1,027	.2	. . . .	
Amount of deposits (in thousands)—total	**$838,709**	**100.0%**	**$245,937**	**100.0%**	**$592,772**	**100.0%**
Paid or made available	**814,012**	**97.1**	**221,240**[7]	**90.0**	**592,772**	**100.0**
By FDIC[2]	756,700	90.2	163,928	66.7	592,772	100.0
By offset[8]	12,943	1.6	12,943	5.3	. . . .	.
By security or preference[9]	26,323	3.1	26,323	10.7	. .	
By asset liquidation[10]	18,046	2.2	18,046	7.3	. .	.
Not paid as of December 31, 1968	**24,697**	**2.9**	**24,697**	**10.0**	. . . .	. . . . . .
Terminated cases	1,859	.2	1,859	.7	. . . .	. . . . .
Active cases[11]	22,838	2.7	22,838	9.3	. . . .	. . . . . .

[1]Number of depositors in deposit payoff cases; number of accounts in deposit assumption cases.
[2]Through direct payment to depositors in deposit payoff cases; through assumption of deposits by other insured banks, facilitated by FDIC disbursements of $218,065 thousand, in deposit assumption cases.
[3]Includes 58,483 depositors in terminated cases who failed to claim their insured deposits (see note 7).
[4]Includes only depositors with claims offset in full; most of these would have been fully protected by insurance in the absence of offset.
[5]Excludes depositors paid in part by FDIC whose deposit balances were less than the insurance maximum.
[6]The insured portions of these depositor claims were paid by the Corporation.
[7]Includes $209 thousand unclaimed insured deposits in terminated cases (see note 3).
[8]Includes all amounts paid by offset.
[9]Includes all secured and preferred claims paid from asset liquidation; excludes secured and preferred claims paid by the Corporation.
[10]Includes unclaimed deposits paid to authorized public custodians.
[11]Includes $10,458 thousand representing deposits available, expected through offset, or expected from proceeds of liquidations; and $43 thousand representing up to $10,000 of each of certain certificates of deposit whose insured status is in litigation.

Table 3. ANALYSIS OF DISBURSEMENTS, RECOVERIES AND LOSSES IN DEPOSIT INSURANCE TRANSACTIONS, JANUARY 1, 1934—DECEMBER 31, 1968
(In thousands)

Type of disbursement	Disbursements	Recoveries[1]	Losses
All disbursements—total	**$435,682**	**$380,398**	**$55,284**
Principal disbursements in deposit assumption and payoff cases—total	**381,805**	**329,968**	**51,837**
Loans and assets purchased (193 deposit assumption cases):			
To December 31, 1968	218,065	191,232	22,938
Estimated additional		3,899	
Deposits paid (280 deposit payoff cases):			
To December 31, 1968	163,391	125,232	28,903
Estimated additional	349	9,605	
Advances and expenses in deposit assumption and payoff cases—total	**51,752**	**47,992**	**3,760**
Expenses in liquidating assets:			
Advances to protect assets	32,911	32,911	
Liquidation expenses	15,081	15,081	. .
Insurance expenses	545	(2)	545
Field payoff and other insurance expenses in 280 deposit payoff cases	3,215	(2)	3,215
Other disbursements—total	**2,125**	**2,438**	**(313)**
Assets purchased to facilitate termination of liquidations:			
To December 31, 1968	1,773	2,423	(665)
Estimated additional	. .	15	. .
Unallocated insurance expenses	352	(2)	352

[1]Excludes amounts returned to closed bank equity holders and $9.3 million of interest and allowable return received by FDIC.
[2]Not recoverable.

ing remained in effect as of mid-1968—or $25 billion less than under the new $15,000 limitation.

Obviously, if the June 29, 1968 ratios of insurance coverage were to exclude the largest banks with extensive corporate, government and other large accounts, the percentages would be higher. Thus, in banks with less than $10 million in total deposits, 83 percent of total deposits are protected by Federal deposit insurance. Among the various types of deposits, the proportion of the amounts covered by insurance varies substantially. The ratio of insured to total savings deposits, for example, for all insured banks is 91.8 percent. For demand deposits of individuals, partnerships, and corporations, the comparable figure is 52.1 percent.

SUPERVISORY ACTIVITIES

Bank examinations. Although empowered to examine any insured bank for insurance purposes, the Corporation regularly utilizes the reports of examinations made by the other Federal agencies having supervisory responsibility for these banks, to avoid duplication of effort. Nonmember insured banks, except those located in the District of Columbia, are examined by the Corporation and by the respective State authorities.

The Corporation generally examines nonmember insured banks at least once during each 12-month period, but more often if required by circumstances. The Corporation's examinations may, in some cases, be conducted jointly or concurrently with the State authorities, thus reducing the burden of examination activity for the banks as well as for the supervisory authorities. At present this practice is followed in more than half the States.

During 1968 the Corporation conducted 15,483 field examinations and investigations, of which not quite half were examinations of main offices. Examinations of trust departments and branches accounted for 36 percent of the total, and investigations about 14 percent. The total number of examinations and investigations was 14 percent higher than in 1967 (Table 4).

In the examination process, the examiner appraises the quality of bank assets, the nature and amount of the liabilities, and the adequacy of its capital. He also seeks to uncover any unsound or unsafe practices which may exist, reviews compliance with the pertinent laws and regulations, and finally, makes an evaluation of the bank's management. In those cases in which objectionable practices or conditions are found to exist, corrective action is obtained through the usual supervisory methods involving consultation and voluntary compliance. In the event that this approach fails, however, formal proceedings may be instituted against the bank.

Under the provisions of the Financial Institutions Supervisory Act of 1966, the Federal bank supervisory agencies are authorized

Table 4. BANK EXAMINATION ACTIVITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1967 AND 1968

Activity	Number	
	1968	1967
Field examinations and investigations—total	**15,483**	**13,577**
Examinations of main offices—total	**7,650**	**7,148**
Regular examinations of insured banks not members of Federal Reserve System	7,451	6,962
Re-examinations; or other than regular examinations	154	129
Entrance examinations of operating noninsured banks	41	44
Special examinations	4	13
Examinations of departments and branches	**5,638**	**4,662**
Examinations of trust departments	1,210	1,092
Examinations of branches	4,428	3,570
Investigations	**2,195**	**1,767**
New bank investigations	195	165
State banks members of Federal Reserve System	25	14
Banks not members of Federal Reserve System	170	151
New branch investigations	538	412
Mergers and consolidations	185	146
Miscellaneous investigations	1,277	1,044

to issue cease-and-desist orders to Federally insured banks with respect to specific violations of laws or regulations and unsafe or unsound practices, after time for correction has been allowed. In addition, the Act provides that the supervisory authorities may take action to suspend or remove officers or directors of insured institutions for violations of law or regulation, or for unsound practices, where personal dishonesty is involved.

Citations contemplating termination of insurance. If the objectionable practices persist, the Corporation has the authority under section 8(a) of the Federal Deposit Insurance Act to initiate proceedings which may result in termination of the bank's deposit insurance. Termination proceedings are regarded as a drastic step, to be taken infrequently and only when a solution is not obtainable through other methods.

Table 5 summarizes the Corporation's activity under section 8(a) since 1936. Of the 198 banks against which action was taken, in 148 cases the necessary corrections were made or the cases were closed through absorption of the banks or their succession by other banks. There were no open cases at the start of 1968; of the three begun during the year, two remained open at year end.

Applications for deposit insurance. State nonmember banks seeking deposit insurance apply directly to the FDIC. In the case of new national banks, insurance is granted by the FDIC upon certification by the Comptroller of the Currency, and by the Federal Reserve in the case of new State member banks. During

Table 5. ACTIONS TO TERMINATE INSURED STATUS OF BANKS CHARGED WITH UNSAFE OR UNSOUND BANKING PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS, 1936-1968

Disposition or status	1936-1968[1]	Started during 1968
Total banks against which action was taken	**198**	**3**
Cases closed	**196**	**1**
Corrections made	79	1
Banks absorbed or succeeded by other banks	69	....
With financial aid of the Corporation	62	....
Without financial aid of the Corporation	7	....
Banks suspended prior to setting date of termination of insured status by Corporation	36	...
Insured status terminated, or date for such termination set by Corporation, for failure to make corrections	12	....
Banks suspended prior to or on date of termination of insured status	9	....
Banks continued in operation[2]	3	....
Cases not closed December 31, 1968	**2**	**2**
Correction period not expired	1	1
Action deferred pending analysis of examination	1	1

[1]No action to terminate the insured status of any bank was taken before 1936. In 5 cases where initial action was replaced by action based upon additional charges, only the latter action is included.
[2]One of these suspended 4 months after its insured status was terminated.

1968, the Corporation approved applications for deposit insurance of 94 banks, 74 of which were new banks and 20 of which were existing noninsured banks. Thirteen new banks were located in Illinois, nine in Florida and the remainder were scattered among twenty states.

Applications for branches. In 1968 there were 461 new branches approved for insured nonmember banks by the Corporation, an increase of more than 20 percent compared with 1967 approvals. An additional 51 domestic branches were created through Corporation approvals of mergers during the year.

Mergers. Under the Bank Merger Act of 1960, the Corporation's prior approval is required in any merger, purchase of assets, or assumption of liabilities transaction in which the resulting bank is an insured bank not a member of the Federal Reserve System and not located in the District of Columbia. Such approval is also required in any absorption of a noninsured bank or institution by an insured bank.

The 1960 Act, as amended in 1966, provides that the supervisory agency must consider several specific factors before approving a merger, including the effect of the transaction on competition, financial and managerial resources, the future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served.

During 1968 the Corporation approved a total of 68 mergers under section 18(c) of the Federal Deposit Insurance Act. In these cases there were 62 absorbed banks which operated a total of 138 offices prior to the transactions and had resources of $1,040 million. The absorbed banks included 16 national banks, 2 State bank members of the Federal Reserve System, 34 State nonmember insured banks, and 10 noninsured institutions. Details of these cases are shown in Table 15, pages 37 to 133.

Merger approvals involving all insured banks during 1968 are summarized in Table 6. (It is important to note that Tables 6 and 7 do not include corporate reorganizations of individual banking institutions, such as banks in process of forming one-bank holding companies, which do not have the effect of lessening the number of existing operating banks.) The 130 banks absorbed through mergers operated 284 offices and had total resources of approximately $2,185 million prior to the transactions. The number of institutions absorbed in mergers approved in 1968 was eight more than in 1967, but was slightly below the average annual number during the past several years.

The numbers of banks by size of assets and by the status of branch banking in their States, (i.e., Statewide branching, limited-area branching, or unit banking) which were involved in absorptions approved by the Federal agencies during 1968 are shown in Table 7.

Regulation of bank securities. Legislation enacted in 1964 extended the provisions of the Securities Exchange Act of 1934 to cover securities traded in the over-the-counter market. Responsibility for administering the Act with respect to insured banks was

Table 6. MERGERS, CONSOLIDATIONS, ACQUISITIONS OF ASSETS AND ASSUMPTIONS OF LIABILITIES APPROVED UNDER SECTION 18(c) OF THE FEDERAL DEPOSIT INSURANCE ACT DURING 1968

Banks	Number of banks[2]	Resources (in thousands)[3]	Offices operated[3]	
			Prior to transaction	After transaction
ALL CASES[1]				
Banks involved	249	$44,158,524	3,174	3,168
Absorbing banks	119	41,973,930	2,890	3,168
Absorbed banks	130	2,184,594	284	....
National	56	1,055,039	126	....
State bank members FRS	9	96,797	13	....
Not members FRS	61	1,021,780	141	....
Noninsured institutions	4[4]	10,978	4	....
CASES WITH RESULTING BANK A NATIONAL BANK				
Banks involved	125	$25,811,369	2,012	2,007
Absorbing banks	58	24,720,137	1,884	2,007
Absorbed banks	67	1,091,232	128	....
National	36	755,584	64	....
State banks members FRS	7	63,450	10	....
Not members FRS	23	270,700	53	....
Noninsured institutions	1	1,498	1	....
CASES WITH RESULTING BANK A STATE BANK MEMBER OF THE FEDERAL RESERVE SYSTEM				
Banks involved	23	$14,273,586	640	640
Absorbing banks	11	14,090,705	603	640
Absorbed banks	12	182,881	37	....
National	4	104,046	22	....
State banks members FRS	....	....	....	....
Not members FRS	8	78,835	15	....
Noninsured institutions	....	....	....	....
CASES WITH RESULTING BANK NOT A MEMBER OF THE FEDERAL RESERVE SYSTEM[6]				
Banks involved	103	$4,088,661	524	523
Absorbing banks	51	3,176,682	404	523
Absorbed banks	52[5]	911,979[7]	120[7]	....
National	16	195,409	40.	....
State banks members FRS	2	33,347	3	....
Not members FRS	30	672,245	73	....
Noninsured institutions	4[4]	10,978	4	....

[1]Omitted are corporate reorganizations and other absorptions involving banks which prior to the transaction did not individually operate an office in the United States.

[2]The number of absorbing banks is smaller than the number of cases, because a few banks participated in more than one case.

[3]Where an absorbing bank engaged in more than one transaction, the resources included are those of the bank before the latest transaction, and the number of offices before the first and after the latest transaction.

[4]Merger case No. 27 in table 15 was reported also as an approved case by the Office of the Comptroller of the Currency. This case is included only once in the totals in this table.

[5]Includes one savings and loan association.

[6]Includes one case approved by the Corporation of an absorption of a noninsured institution by a member bank.

[7]An existing branch of an insured nonmember bank was acquired by another bank in each of two cases; thus the resources and office of the branches are included. In another case, a portion of a noninsured bank's accounts was acquired; the amount of these assets is included herein.

given to the Federal bank regulatory agencies. Only those corporations now having 500 or more shareholders and more than $1 million in assets are covered.

The Corporation, during 1968, received registration statements from 20 insured State nonmember banks coming under the provisions of the Act, bringing the year-end total to 186. The latter figure reflects the withdrawal from registration of 5 banks through merger and the addition of 2 registered banks which withdrew from the Federal Reserve System.

In addition to the registration statement filed by banks, the Corporation also receives current reports required by the Securities Exchange Act and regulates proxy solicitation for annual and special meetings of the shareholders of these banks. Another section of the Act requires the filing of beneficial ownership reports by every director, major officer and large shareholder of a regis-

Table 7. APPROVALS UNDER SECTION 18(c) OF THE FEDERAL DEPOSIT INSURANCE ACT DURING 1968
BANKS GROUPED BY SIZE AND IN STATES ACCORDING TO STATUS OF BRANCH BANKING

Absorbing banks		Absorbed banks							
Number of banks by size (resources in $mil)[1]		Number of banks[1]	Number of branches	Resources (in thousands)	Number of banks by size (resources in $mil)				
					-5	5-10	10-25	25-100	Over 100
Total—U.S.	119	130	154	$2,184,594	35	40	35	18	2
-5	6	7	1	21,794	6	1			
5-10	6	6	12	100,434	4		1	1	
10-25	23	24	19	206,247	9	10	3	2	
25-100	43	43	37	572,055	11	13	13	6	
100-500	23	26	46	634,300	5	10	6	4	1
500 or more	18	24	39	649,764		6	12	5	1
(A) Statewide branching[2]	42	49	67	$856,025	11	15	15	7	1
-5	1	1	.....	329	1				
5-10	2	2	10	56,271	1			1	
10-25	7	8	8	70,174	3	4		1	
25-100	12	12	15	187,944	4	2	3	3	
100-500	10	12	14	137,414	2	5	4	1	
500 or more	10	14	20	403,893		4	8	1	1
(B) Limited area branching[2]	70	73	83	$1,233,543	19	24	19	10	1
-5	2	2	1	9,675	1	1			
5-10	4	4	2	44,163	3		1		
10-25	14	14	11	119,072	5	6	2	1	
25-100	30	30	22	378,783	7	10	10	3	
100-500	12	13	28	435,979	3	5	2	2	1
500 or more	8	10	19	245,871		2	4	4	
(C) Unit banking[2]	7	8	4	$95,026	5	1	1	1	
-5	3	4	....	11,790	4				
10-25	2	2	....	17,001	1		1		
25-100	1	1	.....	5,328		1			
100-500	1	1[3]	4	60,907				1	

[1]See footnotes 1, 5 and 7, Table 6.
[2]For the purpose of discussing branching activity, 16 States were included in Group A, 18 in Group B, and 16 in Group C. It should be noted that for other purposes the classification of some States might differ from that used here.
[3]Bank merger in South Dakota in which the five offices of an absorbed bank were continued in operation.

tered bank. As of the end of the year, 3,700 such reports had been received.

Changes in bank ownership and loans secured by bank stock. Public Law 88-593 requires reporting to the appropriate Federal banking agency of any changes in the outstanding voting stock of any insured bank which would result in a change in control of management. Such reports must include any change or replacement of the bank's chief executive officer or any director that occurs during a twelve-month period following the change in control. Also, the law specifies that insured banks must report any loans secured by 25 percent or more of the outstanding voting stock of an insured bank.

The purpose of this legislation is to alert the supervisory authorities to management changes which might adversely affect the bank. Reports received by one Federal agency are exchanged with the other Federal banking agencies, as well as the State authority if a State-chartered bank is involved. More than 380 changes in control involving insured nonmember banks were reported to the Corporation in 1968.

Other reports from banks and publications. Each insured bank reports its financial condition four times each year, and its statement of income and dividends once each year, to the appropriate Federal supervisory agency. The Corporation also tabulates the asset and liability data of noninsured banks. The statistics collected directly by the Corporation, together with information on member banks of the Federal Reserve System, are published in Part IV of this Report.

Recent technological developments have made it possible for the Corporation to provide each insured bank with individualized operating statistics, showing balance sheet and income changes and various operating ratios, based on the mid-year and end-of-year reports of condition and on the annual report of income and dividends. These statistics may be compared with similar data for all insured banks within the State and for certain local areas. The various State and regional tables were combined in *Bank Operating Statistics 1967*, issued in April 1968.

Four surveys of interest rates paid on time and savings deposits of insured nonmember banks were conducted in 1968. These surveys, conducted jointly with the Board of Governors of the Federal Reserve System, were designed to provide information on savings flows and on the structure of interest rates offered on various savings instruments.

On June 29, 1968, the Corporation conducted the eleventh in a series of surveys of accounts and deposits in all commercial and mutual savings banks. These surveys indicate the extent of insurance coverage and the Corporation's liability under the Federal Deposit Insurance Act. They also provide data which can be useful to bankers and others for several purposes including the analysis of local markets, since deposits are reported for individual offices of all banks. All commercial and mutual savings banks were sent initial data printouts from the Survey showing deposit figures for their own bank on a county basis as of June 1966 and June 1968 and similar figures for all banks in each county in their State.

The data from the Survey, published in a series of sixteen booklets, are classified by geographic area and by size of bank and size and type of account. Changes in most of these categories since the previous survey in 1966 are also included.

Use of computers in smaller banks was the subject of a study supported by the Corporation, which was intended to be of particular assistance to banks which are initiating or planning to acquire access to computer facilities. A summary of the results was published in October 1968 under the title "The Impact of Computers on Small and Medium-Sized Banks". The full report of the study will be available in 1969.

Training and education of examiners. The current training and educational activities of the Corporation include both new and continuing programs, of which several have been developed for Examination Division personnel.

The bulk of the Division's training is in the "on-the-job" category. In this connection, a new one-week programmed self-instruction course has been developed to acquaint trainees with the functions and activities of the Corporation and thus help them to be more effective members of a bank examination team from the outset. Supplementing on-the-job education and training, selected examination personnel are enrolled in a variety of educational and training activities at non-Corporation facilities.

Among the newer programs initiated by the Corporation is a one-week course on examination of computerized banks. Conducted at various locations throughout the country, the course familiarizes examiners with the skills and knowledge important to examining any bank which has automated its procedures, or makes use of computers. Two hundred employees of the Examination Division took this course during 1968.

Conferences with banking groups. Conferences with officials of State banking departments were held in June and September 1968. The June meeting was attended by the supervisors and their aides from the banking departments of the 12 States in the Corporation's Atlanta, Dallas, and Minneapolis Districts. At the September meeting supervisors were in attendance from the States which comprise the Corporation's Chicago, Madison and San Francisco Districts. These conferences are a continuation of a series of such meetings, initiated in 1964, in which State banking department representatives are invited to meet with Corporation officials for the purpose of reviewing industry developments and exchanging relevant supervisory information.

ADMINISTRATION OF THE CORPORATION

Structure and employees. The Corporation is managed by a Board of Directors, two members of which are appointed for six-year terms by the President, with the advice and consent of the Senate. The Comptroller of the Currency, also a Presidential appointee, serves *ex officio* as the third member of the Board. One of the two directly appointed members serves as Chairman of the Board.

Mr. K. A. Randall, appointed a Director on March 10, 1964, continues as Chairman of the Board. Mr. Irvine H. Sprague was appointed a Director of the Corporation on September 27, 1968, filling a vacancy on the Board of Directors. Continuing as the *ex officio* member is Mr. William B. Camp, Comptroller of the Currency.

The organization of the Corporation and a list of the Corporation's officials, Supervising Examiners and District offices are shown on pages iv, v and vi.

The net increase in employment by the Corporation in 1968 included 171 permanent and 15 nonpermanent employees (Table 8). Examination Division personnel increased by 185 during the year, including 155 additional field personnel. Over 90 percent of Examination Division employees, who account for about three-fourths of the Corporation's total employment, are assigned to the District offices. Employment in other Divisions of the Corporation was virtually unchanged during the year.

Table 8. NUMBER OF OFFICERS AND EMPLOYEES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1967 AND 1968

Unit	Total		Washington office		District and other field offices	
	1968	1967	1968	1967	1968	1967
Total	**2,055**[1]	**1,869**[1]	**589**	**550**	**1,466**	**1,319**
Directors	3	2	3	2	0	0
Executive Offices	48	49	48	49	0	0
Legal Division	45	38	45	38	0	0
Division of Examination	1,526	1,341	135	105	1,391	1,236
Division of Liquidation	132	143	67	70	65	73
Division of Research	146	132	146	132	0	0
Office of Controller	155	164	145	154	10	10

[1] Includes non-permanent employees serving on a short-term appointment or when actually employed basis: 123 in 1968 and 108 in 1967. Non-permanent employees include college students participating in the work-study program, clerical workers employed on a temporary basis at banks in process of liquidation, and other personnel.

From an average employment of 1,118 field examiners during the year, 173 left the Corporation in 1968. This number includes 56 who left to enter the military service and five who retired. The employment turnover rate for field examiners was 16.1 percent in 1968. For all employees, exclusive of temporary field liquidation personnel, college students participating in the Corporation's cooperative work-study program, and temporary summer personnel, the turnover rate was 21.2 percent.

FINANCES OF THE CORPORATION

Assets and liabilities. Assets and liabilities of the Corporation on December 31, 1968 are shown in Table 9.

The assets of the Corporation totaled $3,971 million at the end of the year. U. S. Government securities valued at an amortized cost of $3,901 million, and including accrued interest, accounted for over 99 percent of total assets. Assets acquired in receivership and deposit assumption transactions, after reserves for losses, totaled $13.5 million at the year end. The Corporation's Washington office building and site, less depreciation on the building, were carried at $7.6 million.

Total liabilities of the Corporation were $222 million on December 31, 1968, of which over $217 million were net assessment credits due insured banks. Almost 7 percent of the credits were available immediately, with the remainder becoming available on July 1, 1969. The deposit insurance fund, the basic financial resource available to the Corporation for the protection of depositors, totaled $3,749 million at the end of the year.

Additional resources are available to the Corporation through its borrowing powers. Legislation enacted in 1947 authorizes and directs the Secretary of the Treasury to lend to the Corporation up to $3 billion when, in the judgement of the Corporation's Board of Directors, the funds are required for insurance purposes. The Corporation has not had occasion to use this borrowing authority.

Income and expenses. Income and expenses of the Corporation in 1968 are shown in Table 10. During the year, net income of $132 million was obtained from net assessments, and $163 million from investment income, providing a total income of $295 million.

Assessments are earned by the Corporation at the statutory annual rate of 1/12 of one percent of total assessable deposits of insured banks. Legislation enacted in 1950 provided that a portion of the assessments earned each year, after allowance for the Corporation's insurance losses and operating expenses, be returned to insured banks as a credit against future assessments. The proportion, first set at 60 percent, was raised in 1961 to 66⅔ percent. In 1968, an amount of $202 million was credited to banks against their future assessments, thereby reducing the effective assessment rate in the year to 1/30 of one percent of assessable deposits. After the Corporation's expenses, insurance losses and allowance for the assessment credit, the addition to the

Table 9. STATEMENT OF FINANCIAL CONDITION, FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1968

ASSETS		
Cash		$ 6,242,004
U.S. Government obligations:		
Securities at amortized cost (face value $3,915,884,00; cost $3,887,788,859)	$3,901,074,123	
Accrued interest receivable	41,906,319	3,942,980,442
Assets acquired in receivership and deposit assumption transactions:[1]		
Special assistance to insured banks	$ 10,000,000	
Subrogated claims of depositors against closed insured banks	23,165,650	
Net insured balances of depositors in closed insured banks, to be subrogated when paid—see related liability	349,303	
Equity in assets acquired under purchase agreements	5,956,809	
Assets purchased outright	14,632	
	$ 39,486,394	
Less reserves for losses	25,967,900	13,518,494
Miscellaneous assets		376,815
Land and office building, less depreciation on building		7,634,903
Furniture, fixtures and equipment		1
Total assets		**$3,970,752,659**
LIABILITIES AND DEPOSIT INSURANCE FUND[2]		
Accounts payable and accrued liabilities		$ 1,900,470
Earnest money, escrow funds, and collections held for others		392,754
Accrued annual leave of employees		1,789,982
Due insured banks:		
Net assessment income credits available July 1, 1969 (See Table 11)	$ 202,136,202	
Other assessment credits available immediately	14,963,023	217,099,225
Net insured balances of depositors in closed insured banks—see related asset		349,303
Total liabilities		**$ 221,531,734**
Deposit insurance fund, net income accumulated since inception (See Table 10)		**3,749,220,925**
Total liabilities and deposit insurance fund		**$3,970,752,659**

[1]Reported hereunder is the book value of assets in process of liquidation. An analysis of all assets acquired in receivership and deposit assumption transactions, including those assets which have been liquidated, is furnished in Table 3.

[2]Capital stock was retired by payments to the United States Treasury in 1947 and 1948.

NOTE: These statements do not include accountability for the assets and liabilities of the closed insured banks for which the Corporation acts as receiver or liquidating agent.

Table 10. STATEMENT OF INCOME AND THE DEPOSIT INSURANCE FUND, FEDERAL DEPOSIT INSURANCE CORPORATION, YEAR ENDED DECEMBER 31, 1968

Income:		
Deposit insurance assessments:		
Assessments earned in 1968	$334,551,654	
Less net assessment income credits to insured banks	202,126,664	$ 132,424,990
Adjustments of assessments earned in prior years		52,629
		$ 132,477,619
Net income from U.S. Government securities		162,615,480
Other income (deduction)		(14,831)
Total income		**$ 295,078,268**
Expenses and losses:		
Administrative and operating expenses:		
Salaries and wages	$ 18,519,540	
Civil Service retirement fund and F.I.C.A. payments	1,176,568	
Travel expenses	4,831,158	
Office rentals, communications and other expenses	4,444,471	$ 28,971,737
Provisions for insurance losses:		
Applicable to banks assisted in 1968	$ 1,310,000	
Adjustments applicable to banks assisted in prior years	698,400	2,008,400
Non-recoverable insurance expenses incurred to protect depositors—net		363,421
Total expenses and losses		**$ 31,343,558**
Net addition to the deposit insurance fund—1968		**$ 263,734,710**
Deposit insurance fund, January 1, 1968		**$3,485,486,215**
Deposit insurance fund, December 31, 1968, net income accumulated since inception		**$3,749,220,925**

insurance fund during the year was $264 million. The sources and application of funds of the Corporation during the year are shown in Table 12.

Income and the deposit insurance fund, 1933-1968. The Corporation's income, expenses and losses, and additions to the insurance fund since 1934 are shown in Table 13. During the entire period, expenses and insurance losses have absorbed less than 11 percent of the Corporation's total income, with the remainder being added to the insurance fund.

The Federal Deposit Insurance Act specifies that monies of the Corporation not otherwise employed shall be invested in U. S. Government securities or in obligations guaranteed as to principal and interest by the United States. Interest on the U. S. Government securities held by the Corporation has exceeded net assessment income each year since 1961, and in 1968 rose to 55.1 percent of total income.

Deposits in insured banks and the deposit insurance fund by years since 1934 are shown in Table 14. The estimated amount

Table 11. DETERMINATION AND DISTRIBUTION OF NET ASSESSMENT INCOME, FEDERAL DEPOSIT INSURANCE CORPORATION, YEAR ENDED DECEMBER 31, 1968

Determination of net assessment income:		
Total assessments which became due during the calendar year		$334,551,654
Less:		
Administrative and operating expenses		$ 28,971,737
Net additions to reserve to provide for insurance losses:		
Provisions applicable to banks assisted in 1968	1,310,000	
Adjustments to provisions for banks assisted in prior years	716,500	2,026,500
Insurance expenses		363,421
Total deductions		31,361,658
Net assessment income for 1968		**$303,189,996**
Distribution of net assessment income, December 31, 1968:		
Net assessment income for 1968:		
33-1/3% transferred to the deposit insurance fund		$101,063,332
66-2/3% credited to insured banks		202,126,664
Total		**$303,189,996**
		Percentage of total assessment becoming due in 1968
Allocation of net assessment income credit among insured banks, December 31, 1968:		
Credit for 1968	$202,126,664	60.41718%
Adjustments of credits for prior years	9,539	.00285
Total	**$202,136,203**	**60.42003%**

Table 12. SOURCES AND APPLICATION OF FUNDS, FEDERAL DEPOSIT INSURANCE CORPORATION, YEAR ENDED DECEMBER 31, 1968

		Percent
Funds provided by:		
Net deposit insurance assessments	$132,477,619	21.9
Income from U.S. Government securities, less amortized net discounts	158,613,146	26.2
Maturities and sales of U.S. Government securities	290,753,000	48.1
Collections on assets acquired in receivership and deposit assumption transactions	7,699,578	1.3
Increase in assessment credits due insured banks	15,267,343	2.5
Total funds provided	**$604,810,686**	**100.0**
Funds applied to:		
Administrative, operating and insurance expenses, less miscellaneous credits	$29,214,785	4.8
Acquisition of assets in receivership and deposit assumption transactions	5,688,491	0.9
Purchase of U.S. Government securities	563,002,329	93.1
Net changes in other assets and liabilities	6,905,081	1.2
Total funds applied	**$604,810,686**	**100.0**

Table 13. INCOME AND EXPENSES, FEDERAL DEPOSIT INSURANCE CORPORATION, BY YEAR, FROM BEGINNING OF OPERATIONS, SEPTEMBER 11, 1933, TO DECEMBER 31, 1968 ADJUSTED TO DECEMBER 31, 1968

(In millions)

Year	Income			Expenses and losses				Net income added to deposit insurance fund [4]
	Total	Deposit insurance assessments [1]	Investments and other sources [2]	Total	Deposit insurance losses and expenses	Interest on capital stock [3]	Administrative and operating expenses	
1933-68	**$4,192.1**	**$2,544.9**	**$1,647.2**	**$442.9**	**$55.2**	**$80.6**	**$307.1**	**$3,749.2**
1968	295.0	132.4	162.6	30.4	1.4		29.0	264.6
1967	263.0	120.7	142.3	30.4	6.0		24.4	232.6
1966	241.0	111.7	129.3	25.0	5.2		19.8	216.0
1965	214.6	102.2	112.4	24.4	6.7		17.7	190.2
1964	197.1	93.0	104.1	18.9	3.4		15.5	178.2
1963	181.9	84.2	97.7	16.4	2.0		14.4	165.5
1962	161.1	76.5	84.6	13.8	.1		13.7	147.3
1961	147.3	73.4	73.9	14.8	1.6		13.2	132.5
1960	144.6	79.6	65.0	12.5	.1		12.4	132.1
1959	136.5	78.6	57.9	12.1	.2		11.9	124.4
1958	126.8	73.8	53.0	11.6			11.6	115.2
1957	117.3	69.1	48.2	9.7	.1		9.6	107.6
1956	111.9	68.2	43.7	9.6	.5		9.1	102.3
1955	105.7	66.1	39.6	9.0	.3		8.7	96.7
1954	99.7	62.4	37.3	7.8	.1		7.7	91.9
1953	94.2	60.2	34.0	7.3	.1		7.2	86.9
1952	88.6	57.3	31.3	7.8	.8		7.0	80.8
1951	83.5	54.3	29.2	6.6			6.6	76.9
1950	84.8	54.2	30.6	7.8	1.4		6.4	77.0
1949	151.1	122.7	28.4	6.4	.3		6.1	144.7
1948	145.6	119.3	26.3	7.0	.7	.6	5.7	138.6
1947	157.5	114.4	43.1	9.9	.1	4.8	5.0	147.6
1946	130.7	107.0	23.7	10.0	.1	5.8	4.1	120.7
1945	121.0	93.7	27.3	9.4	.1	5.8	3.5	111.6
1944	99.3	80.9	18.4	9.3	.1	5.8	3.4	90.0
1943	86.6	70.0	16.6	9.8	.2	5.8	3.8	76.8
1942	69.1	56.5	12.6	10.1	.5	5.8	3.8	59.0
1941	62.0	51.4	10.6	10.1	.6	5.8	3.7	51.9
1940	55.9	46.2	9.7	12.9	3.5	5.8	3.6	43.0
1939	51.2	40.7	10.5	16.4	7.2	5.8	3.4	34.8
1938	47.7	38.3	9.4	11.3	2.5	5.8	3.0	36.4
1937	48.2	38.8	9.4	12.2	3.7	5.8	2.7	36.0
1936	43.8	35.6	8.2	10.9	2.6	5.8	2.5	32.9
1935	20.8	11.5	9.3	11.3	2.8	5.8	2.7	9.5
1933-34	7.0	[4]	7.0	10.0	.2	5.6	4.2 [5]	-3.0

[1]For the period from 1950 to 1968 inclusive, figures are net after deducting the portion of net assessment income credited to insured banks pursuant to provisions of the Federal Deposit Insurance Act of 1950, as amended. Assessment credits to insured banks for these years amount to $2,172 million.

[2]Includes $9.3 million of interest and allowable return received on funds advanced to receivership and deposit assumption cases by the Corporation.

[3]Paid in 1950 and 1951, but allocated among years to which it applies. Initial capital of $289 million was retired by payments to the United States Treasury in 1947 and 1948.

[4]Assessments collected from members of the temporary insurance funds which became insured under the permanent plan were credited to their accounts at the termination of the temporary funds and were applied toward payment of subsequent assessments becoming due under the permanent insurance fund, resulting in no income to the Corporation from assessments during the existence of the temporary insurance funds.

[5]Net after deducting the portion of expenses and losses charged to banks withdrawing from the temporary insurance funds on June 30, 1934.

of insured deposits rose to $297 billion at the end of 1968. Largely as a result of increases in the maximum insurance coverage available to each depositor, the ratio of insured deposits to total deposits has continued to rise, reaching 60.4 percent in 1968. At the same time, the growth of the deposit insurance fund has generally kept pace with total deposits in insured banks and with insured deposits.

Audit. Since 1945 the financial transactions of the Corporation have been audited each year by the General Accounting Office. Previously, the Corporation engaged private firms annually to conduct an audit. A continuous internal audit is provided by the Auditor of the Corporation.

Table 14. INSURED DEPOSITS AND THE DEPOSIT INSURANCE FUND, 1934-1968

Year (Dec. 31)	Deposits in insured banks (in millions)		Percent of deposits insured	Deposit insurance fund (in millions)	Ratio of deposit insurance fund to—	
	Total	Insured[1]			Total deposits	Insured deposits
1968	$491,513	$296,701	60.2%	$3,749.2	.76%	1.26%
1967	448,709	261,149	58.2	3,485.5	.78	1.33
1966	401,096	234,150	58.4	3,252.0	.81	1.39
1965	377,400	209,690	55.6	3,036.3	.80	1.45
1964	348,981	191,787	55.0	2,844.7	.82	1.48
1963	313,304[2]	177,381	56.6	2,667.9	.85	1.50
1962	297,548[3]	170,210[4]	57.2[4]	2,502.0	.84	1.47[4]
1961	281,304	160,309[4]	57.0[4]	2,353.8	.84	1.47[4]
1960	260,495	149,684	57.5	2,222.2	.85	1.48
1959	247,589	142,131	57.4	2,089.8	.84	1.47
1958	242,445	137,698	56.8	1,965.4	.81	1.43
1957	225,507	127,055	56.3	1,850.5	.82	1.46
1956	219,393	121,008	55.2	1,742.1	.79	1.44
1955	212,226	116,380	54.8	1,639.6	.77	1.41
1954	203,195	110,973	54.6	1,542.7	.76	1.39
1953	193,466	105,610	54.6	1,450.7	.75	1.37
1952	188,142	101,842	54.1	1,363.5	.72	1.34
1951	178,540	96,713	54.2	1,282.2	.72	1.33
1950	167,818	91,359	54.4	1,243.9	.74	1.36
1949	156,786	76,589	48.8	1,203.9	.77	1.57
1948	153,454	75,320	49.1	1,065.9	.69	1.42
1947	154,096	76,254	49.5	1,006.1	.65	1.32
1946	148,458	73,759	49.7	1,058.5	.71	1.44
1945	158,174	67,021	42.4	929.2	.59	1.39
1944	134,662	56,398	41.9	804.3	.60	1.43
1943	111,650	48,440	43.4	703.1	.63	1.45
1942	89,869	32,837	36.5	616.9	.69	1.88
1941	71,209	28,249	39.7	553.5	.78	1.96
1940	65,288	26,638	40.8	496.0	.76	1.86
1939	57,485	24,650	42.9	452.7	.79	1.84
1938	50,791	23,121	45.5	420.5	.83	1.82
1937	48,228	22,557	46.8	383.1	.79	1.70
1936	50,281	22,330	44.4	343.4	.68	1.54
1935	45,125	20,158	44.7	306.0	.68	1.52
1934	40,060	18,075	45.1	333.0	.83	1.84

[1]Figures estimated by applying to the deposits in the various types of account at the regular call dates the percentages insured as determined from special reports secured from insured banks.
[2]December 20, 1963.
[3]December 28, 1962.
[4]Revised.

RULES AND REGULATIONS OF THE CORPORATION

Payments of interest and deposits. Part 329 of the Corporation's regulations, relating to the payment of deposits and interest thereon by nonmember insured banks, was amended on three occasions during 1968. On April 19, 1968, section 329.3 was amended to permit the payment of interest on single maturity time deposits of $100,000 or more at rates up to 6¼ percent per annum, depending upon their maturity. The new maximum rates prescribed for these large-denomination deposits were 5½ percent for 30 to 59-day deposits, 5¾ percent for 60 to 89-day deposits, 6 percent for 90 to 179-day deposits, and 6¼ percent for deposits of 180 days or more. The maximum rate previously had been 5½ percent for all such deposits.

The other amendments to Part 329 related primarily to deposits of foreign governments, monetary and financial authorities of foreign governments, and international financial institutions. A statutory provision which exempted these deposits from the Corporation's interest rate limitations expired on October 15, 1968, and amendments to section 329.3 of the regulations which became effective January 22 and October 15, 1968, were designed to provide a comparable exemption under the Corporation's regulatory authority for deposits of this nature having maturities of not more than two years. Included in the October 15 amendments were provisions to permit the payment of interest on a certificate of deposit for the time during which it is owned by such an exempt organization at a rate in excess of the otherwise applicable maximum notwithstanding a transfer of the certificate to a nonexempt organization prior to its maturity.

The amendments effective October 15, 1968, also amended section 329.3 to clarify the already existing law that nonmember insured banks are subject to maximum interest rates prescribed under State laws where the rates are lower than those prescribed by the Corporation, and to allow renewed time deposits, open account, and savings deposits to draw interest during a 10-day optional renewal period on the same basis as time certificates of deposit. In addition to the amendments to Part 329, the Corporation issued an interpretive rule, published as section 329.101, relating to the payment of interest on the basis that 360 days equal one year.

Deposit insurance coverage. There were two amendments during 1968 to Part 330 of the Corporation's regulations which relate to the clarification and definition of deposit insurance coverage. Section 330.14 was amended effective January 16, 1968, to extend from February 1 to April 1, 1968, the period within which depositors were to be notified of the revision of Part

330 in 1967. Section 330.9(b) was amended effective June 8, 1968, to exempt jointly owned time certificates of deposit and other jointly owned negotiable deposit obligations from requirements concerning signature cards which are applicable, for insurance purposes, to other forms of jointly owned deposit accounts.

Securities of insured nonmember banks. For the purpose of implementing Public Law 90-439, described in Part I of this report, Part 335 of the Corporation's regulations, relating to securities of insured nonmember banks which are subject to the registration requirements of section 12 of the Securities Exchange Act of 1934, was amended on August 8, 1968. The amendments prescribed requirements concerning the disclosure of information pursuant to Public Law 90-439 and forms for use in that connection.

BANKS INVOLVED IN ABSORPTIONS APPROVED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1968

State	Town or City	Bank	No. (Table 15)
Arizona	Holbrook	The First Navajo National Bank	40
	Tucson	The Bank of Tucson (change title to Great Western Bank & Trust Company)	40
California	Anaheim	The Independent Bank	28
	Los Angeles	First Western Bank and Trust Company	13
	Oxnard	Bank of A. Levy	13
	San Francisco	Bank of America National Trust and Savings Association	2,25,45
		Bank of Trade of San Francisco	42
		Barclays Bank of California	28
		The Hong Kong and Shanghai Banking Corporation of California	42
Connecticut	Hartford	Dime Savings Bank of Hartford	8
		State Savings Bank (change title State-Dime Savings Bank)	8
	New Britain	New Britain Bank and Trust Company	50
	Norwich	The Chelsea Savings Bank (change title to The Chelsea-Dime Savings Bank)	32
		The Dime Savings Bank of Norwich	32
	Rocky Hill	The Rocky Hill Bank and Trust Company	50
Georgia	Albany	Albany Savings Bank	53
		First State Bank & Trust Company	53
	Atlanta	American Bank of Atlanta (change title to Peoples American Bank of Atlanta)	35
		The Peoples Bank	35
Indiana	Pennville	Pennville State Bank	56
	Portland	The Citizens Bank of Portland	56
Iowa	Allerton	Security State Bank	11
	Humeston	The Citizens State Bank	11

State	Town or City	Bank	No. (Table 15)
	Lineville	Lineville State Bank	11
	Oelwein	The First National Bank of Oelwein	27
	Oran	Oran Savings Bank	27
Maine	Bangor	Eastern Trust and Banking Company	67
		Kenduskeag Banking Company	67
	Biddeford	Biddeford Savings Bank	58
		York Savings and Loan Association	58
Maryland	Riverdale	Citizens Bank of Maryland (change title to Citizens Bank and Trust Company of Maryland)	39
		Citizens Trust Company of Maryland	39
Massachusetts	Beverly	Beverly Trust Company (change title to Bay Bank and Trust Company)	22
	Lynn	Lynn Safe Deposit & Trust Company	22
Michigan	Benton Harbor	Inter-City Bank	19
	Calumet	The Merchants & Miners Bank	9
	Corunna	The Old Corunna State Bank	61
	Eau Claire	The Eau Claire State Bank	19
	Mohawk	The Keweenaw Savings Bank	9
	Owosso	The Owosso Savings Bank	61
Minnesota	New Ulm	State Bank of New Ulm	34
		Winslow State Bank of New Ulm (change title to State Bank of New Ulm)	34
Mississippi	Bruce	Bank of Bruce	43
	Clarksdale	Bank of Clarksdale	26
	Tupelo	Bank of Mississippi	43
	Tutwiler	Tutwiler Bank	26
Montana	Bozeman	Security Bank & Trust Company of Bozeman	64
		Security Building, Inc.	64
New Jersey	Englewood	Englewood National Bank and Trust Company	31
	Paramus	The Midland Bank and Trust Company	31

State	Town or City	Bank	No. (Table 15)
New York	Franklinville	The Union National Bank of Franklinville	49
	New York (Brooklyn)	Kings County Lafayette Trust Company	17
	New York	Bank Leumi Le-Israel B.M.	23
		First Israel Bank and Trust Company of New York	23
		Hambro American Bank and Trust Co.	44
		The Kings County Savings Bank	46
		Laidlaw and Co.	44
		Morgan Guaranty Safe Deposit Company	59
		Morgan Guaranty Trust Company of New York	59
		Title Guarantee Company	17
		Trade Bank and Trust Company	33
		Trade Bank Safe Deposit Company	33
		Union Square Savings Bank (change title to United Mutual Savings Bank)	46
	Wellsville	The First Trust Company of Allegany County (change title to First Trust Union Bank)	49
North Carolina	Denton	Carolina Bank and Trust Company	52
	Durham	Central Carolina Bank & Trust Company	52
	Halifax	Bank of Halifax	3
	Wilson	Branch Banking & Trust Company	3
Ohio	Columbus	The Ohio State Bank	36
	Hamilton	The Citizens Bank	37
	Manchester	The Farmers National Bank of Manchester	15
	Okeana	The First National Bank of Okeana	37
	Peebles	The Farmers Bank and Savings Company (change title to The Farmers Bank)	15
	Worthington	The Worthington Savings Bank	36
Oklahoma	Tonkawa	Bank of Commerce	48
		The Service Bank of Tonkawa	48

State	Town or City	Bank	No. (Table 15)
Oregon	Albany	Citizens Valley Bank	14
	Independence	First National Bank of Independence	14
Pennsylvania	Allentown	Lehigh Valley Trust Company	51
	Chalfont	The Chalfont National Bank	16
	Jenkintown	Industrial Valley Bank and Trust Company	51
	Lower Burrell	Keystone Bank	63
	McAdoo	The First National Bank of McAdoo	4
	Meadville	Merchants Bank and Trust Company	66
	Norristown	Peoples National Bank and Trust Company of Norristown	30
	Perkasie	Bucks County Bank and Trust Company	16
	Reading	American Bank and Trust Co. of Pa.	4,30
		Peoples Trust City Bank	1
		The Reading Trust Company	18
	Robesonia	Robesonia State Bank	18
	Scott Township	Marimac Bank	63
	Titusville	The Pennsylvania Bank and Trust Company	66
	Topton	The National Bank of Topton	1
Rhode Island	Providence	Old Stone Trust Company	47
		Plantations Bank of Rhode Island	47
South Carolina	Batesburg	Batesburg State Bank	29
	Blacksville	County National Bank	62
	Dillon	The Anderson Bank of Dillon (change title to Citizens Bank of South Carolina)	20
	Greenville	Southern Bank and Trust Company	6,21
	Greenwood	State Bank and Trust Company	10,29
	Lancaster	The First National Bank of Lancaster	20
	Moncks Corner	The Bank of Berkeley	38
	Orangeburg	American Bank & Trust	41,62
		Bank of Orangeburg (title changed to American Bank & Trust)	41

State	Town or City	Bank	No. (Table 15)
	Pickens	The Pickens Bank	10
	St. Stephen	Allen's Depository, Inc.	38
	Springfield	The Springfield State Bank	41
	Walhalla	Bank of Walhalla	6
	Williamston	The Pelzer-Williamston Bank	21
Texas	Killeen	American National Bank of Killeen	24
		First State Bank (change title to American State Bank)	24
	Lorenzo	Lorenzo State Bank	5
		Lorenzo State Bank at Lorenzo	5
Utah	Manti	Manti City Bank	60
	Ogden	Commercial Security Bank	65
	Salina	First State Bank of Salina (change title to First State Bank)	60
	Salt Lake City	Beehive State Bank	65
Virginia	Arlington	Fidelity National Bank	55
	Bristol	Washington Trust Bank	54
	Craigsville	The Bank of Craigsville, Inc. (change title to First Security Bank)	7
	Gloucester	Peoples National Bank of Gloucester	12
	Honaker	Russell County National Bank	54
	Newport News	Bank of Warwick	57
	Norfolk	Southern Bank of Norfolk	12
	Richmond	The Bank of Virginia	57
	Staunton	The Staunton Industrial Bank	7
	Woodbridge	The American Bank	55
Washington	Bellevue	Bank of the West	68
	Kent	Bank of Kent	68
Foreign Countries			
Chile	Santiago	Banco Italiano, S.A.	2
Dominican Republic	Santiago	Banco Nacional, S.A.	45
St. Kitts (West Indies)	Basseterre	National Mid-Atlantic Bank Limited	25

Table 15. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION DURING 1968

No. 1	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Peoples Trust City Bank Reading, Pennsylvania	162,401	13	16
to merge with **The National Bank of Topton** Topton	21,360	3	

Summary report by Attorney General, November 3, 1967

Peoples Trust City Bank ("Peoples") is the second largest bank in Berks County, Pennsylvania. Its head office is located in Reading, which is the commercial and industrial center of Berks County; it also has 10 branches throughout Berks County and another branch, acquired by merger, has recently been approved. The National Bank of Topton ("Topton"), Topton, Pennsylvania, has its head office and a branch in Topton, Berks County, and another branch in Salisbury Township, Lehigh County.

The distance between Topton National's head office and the closest branch of Peoples, in Boyertown, is about 12 miles, with no other banks in the intervening area. Thus, the proposed merger would eliminate some direct competition between the participating banks.

Acquisition by Peoples of the two Topton offices of Topton National would significantly increase Peoples' share of the concentrated banking market in Berks County, where Peoples and the county's largest bank have more than 75 percent of total deposits. It would appear that the increase would be about 2 percent of IPC demand deposits in Berks County; after the merger Peoples would have about 28 percent of such deposits in the county.

Basis for Corporation approval, January 4, 1968

Peoples Trust City Bank, Reading, Pennsylvania (Applicant), an insured State nonmember bank with total deposits of about $143,700,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The National Bank of Topton, Topton, Pennsylvania (Merging Bank), which has total deposits of about $18,600,000. The banks would effect this transaction under the charter and title of Applicant, and as an incident thereof, the three offices of Merging Bank would become branches of Applicant, increasing the number of its offices to 16.

Competition. The service area of Applicant includes the City of Reading and the area surrounding that city within a radius of approximately 5 miles, plus a series of satellite service areas around each branch office location. Also included is the area within about a 7 mile radius of Boyertown, where Applicant recently acquired two offices by merger. The service area of Merging Bank includes an area within approximately 4 miles of Topton except on the east, where it includes a portion of the City of Allentown and its suburbs by virtue of its branch location in Salisbury Township. The main offices of the participating banks are 18 miles apart, and their closest offices are approximately 12 miles apart, connected by a road which traverses rather difficult terrain. This circumstance and the existence of other banking facilities in the area indicate that there is little, if any, competition between those offices. The service areas are not contiguous and do not overlap and it is apparent that there is little competition between the participants.

Throughout the service area of the resulting bank there are numerous offices of Applicant's two principal competitors, one of which is approximately twice its size. There are also four sizeable vigorous banks operating in the Allentown area which would offer substantial competition to the resulting bank. In addition, there are several branch offices of large and aggressive Philadelphia headquartered banks located on the periphery of the service area of the resulting bank.

Applicant is the second largest commercial bank headquartered in the service area, with 14.7 percent of the total deposits. Its position would be unaffected by this proposal and that percentage would rise to 16.7 percent. The commercial banking structure in Berks County and in the service area of the resulting bank would not be altered to any significant degree.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. The banking factors with respect to the Applicant are satisfactory. Merging Bank, however, has experienced growth which has placed a strain on its capital, and its managerial talent has been depleted by the sudden death of one of its principal officers and the serious illness of its president. Consummation of this proposal would eliminate these problems. The banking factors are satisfactory with respect to the resulting bank.

Convenience and Needs of the Community to be Served. Merging Bank's customers would have available complete trust services and computer services. Further, Merging Bank is heavily loaned, and the resulting bank could make available funds to better service the credit needs of the community.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 2	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of America National Trust and Savings Association San Francisco, California	17,806,731	—(1)	
to acquire the assets and assume the liabilities of			
Banco Italiano S.A. Santiago, Chile	20,591	6	

Summary report by Attorney General, August 4, 1967

Bank of America had as of March 31, 1967, deposits of $16,252,408,000 (including IPC demand deposits of $4,476,698,000), loans and discounts of $10,833,856,000, and capital accounts of $954,303,000.

Banco Italiano, as of March 31, 1967, had deposits of $14,855,000 (including IPC demand deposits of $8,750,000), loans and discounts of $7,043,000, and capital accounts of $2,000,000.

It appears that the only effect the proposed transaction will have on competition in the United States will be in the field of foreign trade. Large American banks, including Bank of America, may compete for business from some Chilean residents and corporations. However, such business is not likely to be a major factor in the overall operations of such banks, and, therefore, we think that the transaction is likely to have only a minimal impact upon American domestic or foreign trade or commerce.

Basis for Corporation approval, January 4, 1968

The Bank of America National Trust and Savings Association, San Francisco, California (Bank of America), total deposits $16.2 billion has applied, pursuant to Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's approval to purchase the assets and assume the liabilities of Banco Italiano S. A., Santiago, Chile (Banco), an uninsured foreign bank which has total deposits of $14.9 million. The operation of Banco's six offices by Bank of America has been approved by the Board of Governors of the Federal Reserve System.

Bank of America has not previously operated branches in Chile and there was no competition between the banks participating in this proposal. This transaction places Bank of America in a position to enhance competition in some degree with other U.S. banks in the international banking markets.

The financial and managerial resources and prospects are satisfactory with respect to the participating banks and the resulting bank. Bank of America, as the result of this transaction, should be in a position to better serve the foreign trade requirements of its customers.

The Board of Directors is of the opinion that the proposed transaction will not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

On the basis of the information presented and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 3	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Branch Banking & Trust Company Wilson, North Carolina	167,409	42	48
to merge with **Bank of Halifax** Halifax	16,643	6	

Summary report by Attorney General, November 27, 1967

Branch Banking and Trust Company (BB&T), the sixth largest commercial bank in North Carolina, operates 40 banking offices, primarily in eastern North Carolina. Halifax Bank operates its head office in the town of Halifax and also has branch offices in Enfield, Weldon, Scotland Neck, and Littleton. All of

Halifax Bank's offices are located in Halifax County which is situated in the northeastern part of the State.

At present the Halifax County market is served by only four banks. Halifax Bank has more offices than the other three combined and has about 40 percent of total deposits in the county.

Since the nearest office of BB&T is approximately 30 miles from the nearest office of Halifax Bank, we think it unlikely that substantial direct competition will be foreclosed by the proposed merger.

North Carolina law permits statewide branch banking (N.C. Gen. State. §§53-62). BB&T is the sixth largest commercial bank in the State and would appear to be among the most likely entrants into Halifax County, an area in the natural path of its expansion toward the northeast portion of the State.

Acquisition of Halifax Bank by BB&T would eliminate one of the most probable independent entrants into the already highly concentrated banking market in Halifax County.

This proposed merger of BB&T and its recent acquisition of Bank of Davie, are part of a continuing trend of acquisitions and mergers by North Carolina's largest commercial banks. The recent statewide merger trend has already had an adverse effect on potential competition and the structure of local banking markets in North Carolina by inhibiting the establishment of *de novo* branches by the largest banks, and thereby retarding the development of a more competitive banking structure in North Carolina.

Basis for Corporation approval, January 11, 1968

Branch Banking & Trust Company, Wilson, North Carolina (Applicant), an insured State nonmember bank, with total deposits of about $143.4 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge Bank of Halifax, Halifax, North Carolina which has total deposits of about $14.5 million. The banks would merge under the charter and title of Applicant and as an incident thereof the six offices of Bank of Halifax would become branches of Applicant, increasing the number of its offices to 48.

Competition. The main office of Applicant at Wilson is 50 miles southwest of that of Bank of Halifax; their closest offices—at Elm City for Applicant and Enfield for Bank of Halifax—are about 30 miles apart and separated by the growing population center of Rocky Mount, itself domiciling three banks with 15 offices. There is no apparent competition existing between Applicant and Bank of Halifax and no realistic potential. Applicant is the State's sixth largest bank and currently operates 42 offices in the eastern part of North Carolina, competing with the four largest banks of the State and many of the smaller institutions. Bank of Halifax operates its six offices in five small communities in competition with nine other banks, four of them larger institutions.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner, be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable for Applicant and Bank of Halifax as they would be with respect to the resulting bank.

Convenience and Needs of the Community. As a result of this proposal, the much wider and more progressive banking services of Applicant would be offered to the trade area presently served by Bank of Halifax. Included would be greatly expanded legal lending limitations and capacity as well as trust and other specialized bank facilities which should tend to advance the trend toward industrialization and diversification of the traditionally agricultural economy of the Halifax area.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 4	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
American Bank and Trust Co. of Pa. Reading, Pennsylvania	352,751	19	20
to merge with			
The First National Bank of McAdoo McAdoo	4,423	1	

Summary report by Attorney General, October 12, 1967

American is the largest bank headquartered in Central Pennsylvania, largely as a result of acquisitions and mergers. Its closest offices to that of First National (at McAdoo) are at Tamaqua and Coaldale, approximately 7 and 10 miles away, respectively. They would appear to be directly competitive.

In addition to the participating banks, two others operate within the three-community geographic triangle consisting of McAdoo, Tamaqua and Coaldale: Miners National Bank of Pottsville (IPC deposits, $32.7 million), Pennsylvania National Bank and Trust Company of Pottsville (IPC deposits, $74.6 million). The proposed merger would remove the only locally owned bank from the area and concentrate banking facilities in three relatively large banks, each headquartered outside of the area.

In Schuylkill County, as a whole, the proposed merger would increase American's share of total deposits from 7.4 to 9.2 percent.

Thus, the proposed merger would eliminate existing direct competition between First National in McAdoo and American's branch offices at Tamaqua and Coaldale, and remove the sole locally owned bank there. Moreover, concentration in Schuylkill County and in the local area would be increased.

Basis for Corporation approval, February 7, 1968

American Bank and Trust Co. of Pa., Reading, Pennsylvania (Applicant), an insured State nonmember bank with total deposits of $329,017,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The First National Bank of McAdoo, McAdoo, Pennsylvania (National) which has total deposits of $4,213,000. The banks would merge under the charter and title of the Applicant and, as an incident to the merger, the sole office of National would become a branch of Applicant, increasing the number of its offices to 20.

Competition. Applicant's main office is in Reading (population 98,200), the seat of Berks County. It operates branches in four of the seven counties in which it may legally establish such offices. Eleven branches are in Reading and general vicinity, three are located in Schuylkill County, north of Berks County, and there are two each in Lebanon and Lancaster Counties which border Berks County on the west. McAdoo (population 3,600), the location of National's office, is situated in the northeastern corner of Schuylkill County near the borders of Luzerne and Carbon Counties.

Applicant's branch nearest to National is 8 miles south from McAdoo, over mountainous and rugged terrain. The residents of McAdoo travel for employment and shopping purposes chiefly in the direction of Hazleton, 4 miles to the north. National is primarily competitive with the bank offices in Hazleton. There also is an intervening bank located in Hometown, between the merging banks' closest offices. National has no deposit and loan accounts which originate in the service area of the Applicant. The Applicant has but two savings accounts and two instalment loans in National's immediate area. The evidence indicates that any competition existing between the merging banks is not significant.

Applicant is the largest of some 68 other banks competing in its service area. Some of these banks are of significant size, as are a number of out-of-area banks which solicit business in competition with the Applicant. The increase in Applicant's size would be so small as to have no material effect on competition. National is the smallest bank competing in the McAdoo-Hazleton service area. The largest has more than $200 million in deposits and two branches in Hazleton. National is also considerably smaller than the bank operating in Hometown. The replacement of National's office by a branch of the Applicant should tend to stimulate competition.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resourses and Prospects. The factor of financial resources is favorable with respect to the merging banks and all these factors are so projected for the resulting bank. National's managerial resources and future prospects are considered only fair. Consummation of the proposal would provide both a quality and depth of management which presently is lacking at National.

Convenience and Needs of the Community to be Served. The well managed, progressive Applicant bank has established a good record of service to the community in providing financial and other support for industrial diversification and expansion. The McAdoo-Hazleton area is one of the fastest growing industrial employment regions in the State. Because of its small size and lending limit, National cannot meet the large credit needs or contribute importantly to the growth of the area. Applicant's progressive management and substantial financial resources would bring improved, diversified banking and fiduciary services to the McAdoo-Hazleton area which should be of benefit to present and potential customers and to the resurgent industrialization of the area.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 5	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Lorenzo State Bank at Lorenzo Lorenzo, Texas (proposed new bank)	400	—	1
to acquire the assets and assume the deposit liabilities of **Lorenzo State Bank** Lorenzo	6,629	1	

Approved under emergency provisions. No report requested from the Attorney General.

Basis for Corporation approval, February 7, 1968

This transaction was approved under emergency provisions, the Corporation finding it necessary to act immediately in order to prevent the probable failure of Lorenzo State Bank, the only bank in Lorenzo, Texas, and thereby continue uninterrupted banking services to the community.

No. 6	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Southern Bank and Trust Company Greenville, South Carolina	44,264	9	10
to merge with			
Bank of Walhalla Walhalla	2,806	1	

Summary report by Attorney General, December 26, 1967

Southern Bank and Trust Company operates nine banking offices in Greenville, South Carolina and surrounding communities. It has been involved in three mergers since 1963. Bank of Walhalla operates a single office in the city of Walhalla located in Oconee County.

The closest offices of the applicant banks are about 45 miles apart, and there seems to be virtually no competition between them at present.

Oconee County is served by five banks operating six offices and within the county. Bank of Walhalla holds about 13 percent of total deposits.

South Carolina law (S.C. Code Title 8-57) permits statewide branch banking; accordingly, Southern could branch *de novo* in or near Walhalla. However, there is no indication that Southern would be a likely potential entrant into this area, absent the proposed merger.

We conclude that this merger involves little or no effect on banking competition in Oconee County.

Basis for Corporation approval, February 7, 1968

Southern Bank and Trust Company, Greenville, South Carolina (Applicant), an insured State nonmember bank with total deposits of $40,600,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Bank of Walhalla, Walhalla, South Carolina (Walhalla) which has total deposits of $2,200,000. The banks would merge under the charter and with the title of the Applicant and, as an incident to the merger, the sole office of the Walhalla bank would become a branch of the Applicant, increasing the number of its offices to 10.

Competition. Applicant is headquartered in Greenville (population 70,000) and operates eight branches in Greenville and five other communities in the northwestern section of the State. Walhalla's office is situated in the extreme northwestern corner of the State, 45 miles from the nearest offices of the Applicant. Numerous other bank locations intervene the merging banks' offices and there is virtually no competition existing between them. Walhalla is a conservative, unaggressive bank in a community which has two banks and a population of 4,400. There appears to be little potential for the development of competition between the merging banks.

Applicant is competitive at its various locations with numerous other banks. Four competitors are larger than the Applicant including a bank with $60 million in deposits headquartered in Greenville. The three other larger competitors have deposits ranging between $170 million and $375 million. The addition of Walhalla's small deposit volume would represent a nominal increase in Applicant's size and have no material effect on competition in its service area. Walhalla is the smallest bank in its service area. It competes principally with the other bank in its community which has $3.5 million in deposits. Three other banks are represented at locations 7 and 9 miles distant including two branches of a $374 million deposit bank. Replacement of the Walhalla bank by a branch of the Applicant should tend to stimulate competition in the Walhalla community and in the general area.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resourses and Prospects. These factors are satisfactory with respect to the merging banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The significant increase in the lending limit should be of benefit to the Walhalla area where the growing economy has tended to increase the credit request by the bank's customers. Walhalla's customers and the community should benefit from the improved and additional banking services as well as Federal deposit insurance protection to be offered by the Applicant. Following consummation of the merger, there would remain in the community of Walhalla two banking alternatives including one local independent unit.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 7	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Bank of Craigsville, Inc. Craigsville, Virginia (change title to First Security Bank)	1,341	1	3
to merge with **The Staunton Industrial Bank** Staunton	7,650	2	

Summary report by Attorney General, December 18, 1967

This is a proposal to merge the Bank of Craigsville, Inc., Craigsville, Virginia (one office with despoits of $1.3 million) and the Staunton Industrial Bank, Staunton, Virginia (one office with deposits of $6.2 million). The merging banks are both wholly owned subsidiaries of a bank holding company (First Virginia Bankshares Corp.); they are located in primarily rural Augusta County and the independent city of Staunton which is the area's commercial and banking center, and is surrounded by Augusta County.

The substantial distance (about 25 miles) between closest offices of the merging banks would appear to indicate that existing competition between them is probably minimal.

The proposed merger would have a small effect on the present level of banking concentration within the Augusta County area (including the independent cities of Staunton and Waynesboro within the county). The Bank of Craigsville now controls about 1.4 percent of the area's total deposits and

Staunton Industrial holds about 6.7 percent. However, following the merger the resulting bank would remain the smallest bank within the Augusta County area in competition with large statewide banking institutions.

On balance, we conclude that the merger here proposed, between two small and widely separated banks, would have little effect upon banking competition in the Augusta County area or in the more localized Craigsville, Virginia, banking market.

Basis for Corporation approval, February 15, 1968

The Bank of Craigsville, Inc., Craigsville, Virginia (Applicant), an insured State nonmember bank with total deposits of $1,197,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with The Staunton Industrial Bank, Staunton, Virginia (Industrial) which has total deposits of $6,148,000. The banks would merge under the Applicant's charter and with the title "First Security Bank." As an incident to the merger, Applicant's main and only office would be moved to Verona, the location of a branch of Industrial, and Applicant's sole office and the other two offices of Industrial (including an approved but unopened branch) would become branches of the Applicant, increasing the number of its offices to four.

Competition. Craigsville (population 800) is in the southwestern corner of Augusta County, 25 miles from the County seat City of Staunton, where Industrial is headquartered. Staunton has a population of 25,000. Industrial's branch at Verona (population 1,200), the proposed main office location, is 5 miles northeast from Staunton and 30 miles from Craigsville. Industrial has approval for a branch to be located in a shopping center about 2 miles south from its present main office.

Craigsville is isolated somewhat from other bank locations and Applicant primarily serves a small area north and south of its immediate vicinity. Industrial primarily serves a small area around Staunton and the community of Verona. The distance between the merging banks and the negligible amount of business each derives from the other's area indicates there is virtually no competition between them. Moreover, both banks are subsidiaries of First Virginia Bankshares Corporation, a registered bank holding company, and there is little potential for competition between them. There are no other banks within 25 miles from Craigsville and the proposal would have no competitive effect in that community's immediate area. Industrial is the smallest of the five banks headquartered or represented in Staunton and the resulting bank would remain in that position following consummation of the proposal. Industrial's competition includes four Staunton branches of two of the largest banks in the State. Its branch in Verona competes in that community with a branch of a much larger bank headquartered outside the County. The proposal would have no adverse competitive effects in the area served by Industrial.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are satisfactory with respect to the merging banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The proposal would make available to the small community of Craigsville a relatively significant increase in banking resources. Although Applicant's recent affiliation with the holding company has improved its services, the larger resources, economies, and increased operating efficiency resulting from the merger should produce better service to the community.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that the approval of the bank's application is warranted.

No. 8	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
State Savings Bank Hartford, Connecticut (change title to State-Dime Savings Bank)	80,354	3	5
to merge with **Dime Savings Bank of Hartford** Hartford	49,953	2	

Summary report by Attorney General, December 11, 1967

This is a proposal to merge the two smallest of Hartford's four mutual savings banks. State Savings, with deposits of $72.7 million, and Dime Savings, with deposits of $45.9 million, have their main offices on the same street in Hartford and operate branches about one mile apart in West Hartford. The proposed merger would thus eliminate significant competition between the merging banks.

According to data contained in the application, the parties to the proposed merger would appear to have had in 1966 the following market shares of savings institutions in Hartford:

(i) Savings bank IPC time deposits—

State Savings	10%
Dime Savings	7%

(ii) Above, plus savings and loan withdrawable deposit balances—

State Savings	8%
Dime Savings	6%

(iii) Number (ii) above, plus IPC time deposits at commercial banks—

State Savings	5%
Dime Savings	4%

The proposed merger would eliminate direct competition between the merging savings banks, reduce from four to three the number of mutual savings banks in the Hartford-West Hartford area, and significantly increase concentration in this market.

Basis for Corporation approval, February 26, 1968

State Savings Bank, Hartford, Connecticut (Applicant), an insured mutual savings bank with total deposits of about $72,700,000 has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Dime Savings Bank of Hartford, Hartford, Connecticut (Dime Savings) also an insured mutual savings bank, with total deposits of about $45,900,000. The banks would effect this transaction under the charter of Applicant and with the title State-Dime Savings Bank, and as an incident thereof, the two offices of Dime Savings would become branches of Applicant, increasing the number of its offices to five.

Competition. Both Applicant and Dime Savings are essentially mortgage lending institutions and as such operate over a wide area, particularly insofar as insured and guaranteed mortgages are concerned, the market for which extends nation-wide, competing with a host of other institutions as noted below. The competition for loans between Applicant and Dime Savings for these reasons is not significant.

With respect to deposit activities, the primary service area of the resulting bank would comprise the City of Hartford, West Hartford, and Glastonbury. It is noted, however, that Hartford qualifies as a Standard Metropolitan Statistical Area, characterized by population density, industrial concentration, excellent transportation facilities and economic homogeneity. The Hartford SMSA contains 14 mutual savings banks and 17 commercial banks, with deposits aggregating $867,587,000 and $1,155,699,000, respectively, as well as numerous savings and loan assocations, credit unions and insurance companies. As the central city, Hartford draws employees and shoppers from the area around it and furnishes employees and shoppers to the surrounding area; its financial institutions compete with those of the surrounding area for the patronage of all these people. The Hartford SMSA thus constitutes a secondary trade area into which the subject banks extend their influence.

Although the main offices of Applicant and Dime Savings are located nearby in downtown Hartford, so are those of the other two Hartford mutual savings banks and of four commercial banks, as well as two savings and loan associations. Both subject banks operate branches in West Hartford, however, these are separated by 1½ miles and there are a number of other banking offices located in the immediate vicinity of Applicant's branch. Applicant is the third largest mutual savings bank of the four and Dime Savings is the smallest; the resulting bank would be the third largest.

Competing for the savings dollar in the primary service area of the resulting bank there are five mutual savings banks with 18 offices, nine commercial banks with 36 offices and two savings and loan associations with eight offices. Dime Savings, furthermore, has proven a weak competitor in recent years because of its inability to initiate dividend increases to the level paid by the other savings institutions of the area and has lost deposits, particularly at its main office in downtown Hartford. Although one bank will be lost, there will remain ample alternative loan and deposit sources for the public and the resulting bank will be in a better position to provide more effective competition within the area than could either Applicant or Dime Savings operating separately.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. The financial resources of both subject banks are presently favorable, however, the future prospects of Dime Savings are not bright because of its low surplus ratio and patent inability to initiate dividend increases as dictated by competition. The resulting bank would begin operations with a satisfactory condition and management and could effect significant operating economies, permitting a more effective use of resources.

Convenience and Needs of the Community to be Served. The resulting bank could pay a higher, more competitive dividend than Dime Savings, without sacrificing principles of sound banking. Its depositors would be better served by the larger and stronger institution, capable of acquiring expensive, but far more effective equipment. Although the main office of Dime Savings would be discontinued within a relatively short period of time, this should cause little inconvenience, which would be offset by an increased ability to establish new branches at locations not now served.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 9	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Merchants & Miners Bank Calumet, Michigan	16,191	2	3
to consolidate with			
The Keweenaw Savings Bank Mohawk	1,141	1	

Summary report by Attorney General, December 11, 1967

This proposed consolidation involves two small banks in adjoining counties in a copper mining area of Northern Michigan.

The relatively short distance (7 miles) between the closest offices of the banks, and the absence of other intervening offices, would indicate that these banks are in considerable direct competition. There are 97 common IPC deposit accounts; these carry approximate balances of $330,000 in Merchants & Miners and $231,000 in Keweenaw Savings. Forty-eight of these same depositors have borrowed $267,000 at Merchants & Miners and $68,000 at Keweenaw Savings. There are relatively few banking alternatives in the area as shown by the fact that only four other banking institutions (with seven banking offices) operate within a radius of 35 miles of the consolidating banks. In the circumstances, it is clear that the proposed consolidation would involve the elimination of significant direct competition between the merging banks.

In Houghton County, Merchants & Miners now holds about 30 percent of total deposits of all five banks operating in the county. In neighboring Keweenaw County, Keweenaw Savings is the only bank, and presently holds all the county demand and time deposits. In the two-county area, Merchants & Miners would through the merger be enhancing its market position from 29 to over 31 percent of total deposits.

Basis for Corporation approval, February 29, 1968

The Merchants & Miners Bank, Calumet, Michigan (Merchants Bank), an insured State nonmember bank with total deposits of about $14.3 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to consolidate with The Keweenaw Savings Bank, Mohawk, Michigan (Savings Bank), also an insured State nonmember bank, which has total deposits of about $1 million. The banks would consolidate under the charter and title of Merchants Bank, and as an incident thereof, the sole office of Savings Bank would become a branch of the resulting bank, increasing the total number of offices to three.

Competition. The participating banks are located on the Keweenaw peninsula, the northernmost area in the State of Michigan. The service area of Merchants Bank includes all of Keweenaw County and approximately the upper half of Houghton County. Its main office is located in Calumet and it operates its only branch about a mile south of Calumet, in Laurium. The sole office of Savings Bank is located in Mohawk, about 7 miles north of Calumet. Its service area is entirely within that of Merchants Bank. Mohawk has a population of about 800 and the population of Keweenaw County is about 2,000. The evidence suggests that Savings Bank has not been, and is not now an effective competitor, even in its own town of Mohawk. Its ability to compete appears to be inhibited by its small size and low legal lending limit. Although there appears to be some competition between the participating banks, it cannot be realistically regarded as substantial. There are six banks operating in this sparsely populated area, all of relatively small size. Reducing by one the banking alternatives in such an area through elimination of the smallest institution, is not likely to harm competition and it should strengthen the remaining banking structure. Of the four other banks remaining, two would be about the same size as the resulting bank. There is also a large aggressive savings and loan association with offices in the service area.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. Although Merchants Bank's record under these factors is favorable, Savings Bank has experienced only nominal growth, has had, and has, below average capital and has demonstrated weak earnings. Further, it lacks the management and facilities to compete in an effective manner.

The resulting bank would be satisfactory under all these factors.

Convenience and Needs of the Community to be Served. This transaction would result in a significant expansion of the services offered to the community of Mohawk and surrounding area. A small, limited service bank with inadequate quarters and inexperienced management would be replaced by a branch office of a larger bank which would offer its broader services in a newly constructed bank building in Mohawk.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 10	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
State Bank and Trust Company Greenwood, South Carolina	119,920	29	31
to merge with			
The Pickens Bank Pickens	5,190	2	

Summary report by Attorney General, February 13, 1968

State Bank and Trust Company operates its head office in Greenwood, South Carolina, and has twenty-six branch offices in communities located mainly in the western third of the State. It has been involved in eight mergers since 1955. Pickens Bank operates its head office in Pickens, South Carolina and one branch office in the nearby community of Six Mile. Both Pickens and Six Mile are located in Pickens County.

Pickens County is served by five commercial banks operating nine offices, including a branch of South Carolina's largest bank in terms of deposits. Within the county, Pickens Bank holds about 12 percent of total deposits.

The closest offices of the applicant banks are about 30 miles apart, and there seems to be virtually no competition between them at present.

South Carolina law (S. C. Code Title 8–57) permits statewide branch banking. State Bank could, therefore, branch *de novo* in or near Pickens. However, we have no evidence that State Bank would be a likely potential entrant into this area, absent the proposed merger.

Therefore, considering the size and market share of the acquired bank, we conclude that the consummation of this transaction will have little effect on banking competition in Pickens County.

Basis for Corporation approval, March 25, 1968

State Bank and Trust Company, Greenwood, South Carolina (State Bank), and insured State nonmember bank with total deposits of about $109,628,000, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The Pickens Bank, Pickens, South Carolina (Pickens Bank), also an insured State nonmember bank, which has total deposits of about $4,720,000. The banks would effect this transaction under the charter and title of State Bank, and as an incident thereof, the two offices of Pickens Bank would become branches of State Bank, increasing the number of its offices to 31.

Competition. State Bank's service area is composed of a series of smaller service areas surrounding the 17 municipalities in which it has offices in the central, southwestern and western sections of the State of South Carolina. State Bank, however, does not saturate the territory and there are considerable distances between some of the communities in which it operates. Pickens Bank operates in the areas surrounding the towns of Pickens and Six Mile. There appears to be virtually no competition between the participating banks. Their service areas do not overlap, nor are they contiguous. Their main offices are 65 miles apart and their closest offices are 29 miles apart. Each bank derives practically no business from the service area of the other. Although State Bank could branch de novo into the Pickens and Six Mile areas, it does not appear as a likely entrant by this route because of the small size of the communities and the fact that Pickens is already served by two banks, including a branch of the State's largest bank.

State Bank is the fourth largest bank in South Carolina. Pickens Bank is the smallest of the five banks operating in its service area. This merger would have virtually no effect on the structure of banking in South Carolina or in the service area of State Bank. In this latter area, State Bank holds 9.7 percent of the total deposits and 8.6 percent of the loans held by all banks operating in the area. The resulting bank would hold 10.1 percent and 8.9 percent of deposits and loans, respectively. Further, this merger would replace two offices of a very small bank offering limited services with branches of a much larger bank capable of offering more effective competition to the Pickens branch of the State's largest bank.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. The banking factors with respect to both participating banks are satisfactory, as they would be following the proposed merger.

Convenience and Needs of the Community to be Served. The major impact of this merger will be felt in the Pickens and Six Mile areas. There will be no change in the number or location of banking offices in these communities, but there will be several major changes in the services to be offered at Pickens Bank's locations. The legal lending limit will be vastly increased, and full trust services are to be introduced at these locations. Certificates of deposit paying up to 5 percent will be offered, as compared to the prevailing rate of 4 percent. The resulting bank will also offer a modified credit check plan. Some of these services are offered by the Pickens branch of the South Carolina National Bank of Charleston, but the introduction of these services at Pickens Bank's locations would benefit the community by providing an alternate source.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 11	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Citizens State Bank Humeston, Iowa	2,033	1	4
to merge with **Security State Bank** Allerton	1,452	1	
and to acquire the assets and assume the deposit liabilities of **Lineville State Bank** Lineville	1,762	1	

Summary report by Attorney General, October 18, 1967

All three of the banks involved are located in small towns in Wayne County, a largely agricultural area in south central Iowa.Citizens State Bank has total deposits of $1,754,000; Security State Bank has total deposits of $1,060,000 and Lineville State Bank has total deposits of $1,384,000. The same financial interests now control Citizens and Security.

The proposed transactions involve three of the five banks in Wayne County; these three banks now hold a large proportion of IPC demand deposits within the county (46.3 percent). It is thus clear that the proposed transactions will involve loss of direct competition and an increase in concentration. On the other hand, the banks involved are all very small and are of a size which may preclude efficient operation.

Basis for Corporation approval, April 11, 1968

The Citizens State Bank, Humeston, Iowa (Applicant), an insured State nonmember bank with total deposits of $1,732,000, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Security State Bank, Allerton, Iowa (Security), an insured State nonmember bank with total deposits of $1,213,000, to acquire the assets of and assume liability to pay deposits made in Lineville State Bank, Lineville, Iowa (Lineville Bank), a State member bank with total deposits of $1,532,000, to move Applicant's main office from Humeston to Corydon, a distance of 16 miles southeast, and to establish an office at the present location of Applicant's main office. The merger and acquisition transactions would be effected under the charter and with the title of the Applicant and, as an incident to these transactions, the sole office of Security and the sole office of Lineville Bank would become offices of the Applicant. Including the office to be established in Humeston, the number of Applicant's offices would be increased to four. Opponents and proponents of these transactions presented their respective positions in appearances before officials of both the State of Iowa and this Corporation.

Competition. The participating banks and the proposed main office site are located in Wayne County (population 9,800). The county is situated in the south central part of the State and its southern boundary is contiguous to the State of Missouri. Applicant is located in Humeston (population 638) which is the northwestern corner of the county. Lineville Bank is located in Lineville (population 452) which is located in the southwestern corner of the county at the State line and is 19 miles south from Humeston. Security's office is in Allerton (population 692), near the central part of the county, 12 miles northeast from Lineville and 17 miles southeast from Humeston. The proposed main office site, Corydon (population 1,687) is in the central part of the county, 7 miles northeast from Allerton and 16 miles southeast from Humeston. The shortest distance between any of the participating banks is 12 miles and each receives competition from other banks at closer locations. The three participating banks primarily serve their immediate areas. Because of their relatively small size, the distance between their offices and other evidence, there is virtually no competition between the participating banks and the potential for significant competition between them is limited.

The proposals would combine three of the five smallest banks in the resulting service area. The resulting bank would be fifth largest of 11 banks in the area and would hold 8.4 percent of the aggregate IPC deposits. A more efficient operation should result from combining the resources of the three participating banks and moving Applicant's main office to Corydon, the centrally situated county seat and principal trading center. It should also cause a beneficial increase in competition, especially with the bank now operating in Corydon, Corydon State Bank, which is larger in IPC deposit size than any of the participating banks and already competes with them in varying degrees. The evidence indicates that Corydon and its service area can support both the bank resulting from these transactions and Corydon State Bank, and there is nothing to show that the latter's business will be seriously affected.

The Board of Directors is of the opinion that the proposed transactions would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are found to be generally satisfactory with respect to the resulting bank as they have been with respect to the participating banks.

Convenience and Needs of The Community to be Served. The increasing size of farm units in the agricultrual area served by the participating banks results in a need for larger credit lines. The larger lending limit of the resulting bank would more adequately meet this need. Adequate banking services will be provided the communities of Humeston, Allerton and Lineville through the continuance there of offices of the resulting bank and the accessibility of its main office at Corydon. In addition, consummation of the transactions will provide the community of Corydon with an alternative banking source.

On the basis of the above information and other information available to the Corporation, The Board of Directors has concluded that approval of the bank's applications is warranted.

No. 12	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Southern Bank of Norfolk Norfolk, Virginia	50,621	16	18
to merge with **Peoples National Bank of Gloucester** Gloucester	7,680	2	

Summary report by Attorney General, April 12, 1968

Southern Bank is the fifth largest bank in Norfolk, where it maintains all of its 16 offices. It is an affiliate of First Virginia Bankshares Corporation, the smallest of the five bank holding companies which currently operate in the State of Virginia.

Peoples Bank, headquartered in Gloucester, 55 miles northwest of Norfolk, operates a branch in Hayes, 11 miles south of the head office, and is one of the two banks operating banking offices in Gloucester County.

In view of the distance between them and the fact that such cities as Newport News and Hampton Roads intervene, it does not appear that there is any significant direct competition existing between the merging banks.

Under Virginia branch banking law neither Southern Bank nor any of First Virginia's other banking subsidiaries can open a *de novo* branch in Gloucester County. Furthermore, Southern Bank is entering Gloucester County by merging with the smaller of the two banks in the county. It, therefore, does not appear that this merger would eliminate potential competition between Peoples Bank and Southern Bank or any of the other subsidiaries of First Virginia.

Basis for Corporation approval, April 25, 1968

Southern Bank of Norfolk, Norfolk, Virginia (Applicant), an insured State nonmember bank with total deposits of $44,848,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Peoples National Bank of Gloucester, Gloucester, Virginia (National) which has total deposits of $6,983,000. The banks would merge under the Applicant's charter and title and, as an incident to the merger, National's two offices would become branches of the Applicant, increasing the number of its offices to 18.

Competition. Norfolk, population 325,000 is in the southeastern part of the State on the harbor of Hampton Roads. Applicant operates 14 offices in Norfolk and two branches in adjacent Virginia Beach, population 159,000. The community of Gloucester has a population of 750. National is the smallest of two banks headquartered in that community and serves most of Gloucester County, population 13,000.

The nearest offices of the merging banks are 44 miles apart and intervened by the two large cities of Newport News and Hampton as well as the harbor of Hampton Roads and the York River. The service areas are separate and not contiguous and State law does not permit de novo branching in each other's area. There is virtually no existing or potential competition between the merging banks.

In terms of total deposits, Applicant is sixth largest of seven banks represented in its service area. Four of the largest banks have deposits ranging between $134 million and $614 million. With respect to its share of the deposits held by the bank offices, Applicant is in a distant third position with 9.4 percent. The two largest shares, 55 percent and 20 percent, are held by two other Norfolk-headquartered banks. The small increase in the Applicant's size would have no material effect on competition in its service area.

National is facing serious problems and the Corporation has been advised by the Comptroller of the Currency that an emergency exists requiring expeditious action. There is another, and larger, bank headquartered in Gloucester which has deposits of $12 million and is National's chief competitor. The principal effect of the merger in Gloucester would be the replacement of an ailing bank by branches of a sound institution and an increase in competition.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly, nor would it in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are favorable with respect to the Applicant and are so projected for the resulting bank. National's asset condition is poor, it is being temporarily managed and operated by officers and employees of the Applicant and its future prospects as an independent bank are not favorable.

Convenience and Needs of the Community to be Served. The proposal would assure the continued operation of National's two offices, as branches of the Applicant, and would bring to the communities a number of services not presently offered by National or other banks in its service area. The community of Gloucester would continue to have two banking alternatives available, including one locally based independent bank.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 13	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of A. Levy Oxnard, California	56,966	9	10
to acquire a portion of the assets and assume a portion of the liabilities of			
First Western Bank and Trust Company Los Angeles	2,946(2)	1	

Summary report by Attorney General, February 23, 1968

Bank of A. Levy, Oxnard, California ("A. Levy") proposes to acquire by purchase the physical facilities and most of the deposits, but none of the loans of the Moorpark, California branch of First Western Bank and Trust Company, Los Angeles, California ("First Western").

The present branches of A. Levy and the Moorpark Branch of First Western are all located in the southern part of Ventura County directly west of Los Angeles County. It is an area currently undergoing rapid economic and population growth. A. Levy does not at present have an office in Moorpark, but three of its existing offices are 10 miles, and one only 6 miles from Moorpark. A. Levy has long derived significant business from Moorpark and presently has an application pending for a new branch there. There is, therefore, a certain amount of existing and potential competition between the banks in the Moorpark area which will be eliminated as a result of the proposed acquisition.

A. Levy is presently the third largest bank in Ventura County, with about 12 percent of total deposits (and 16 percent of IPC demand deposits) of all banks in the county. Its major competitors, the Bank of America and Security First National Bank, the largest and second largest banks in California, between them have over 70 percent of the total bank deposits in Ventura County. The $3.3 million of deposits in the First Western Branch which A. Levy will acquire account for about 1 percent of county deposits.

The proposed transaction would eliminate a certain amount of actual and potential competition, and would increase slightly A. Levy's market share in the highly concentrated Ventura County market.

Basis for Corporation approval, April 25, 1968

Bank of A. Levy, Oxnard, California (Applicant), an insured nonmember bank with total deposits of about $51,248,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to purchase a portion of the assets of and assume the liability to pay a portion of the deposits made in First Western Bank and Trust Company, Los Angeles, California (First Western). As an incident to the proposed transaction, Applicant would establish a branch at the location of First

Western's sole Moorpark Branch which has total deposits of about $2,925,000 and First Western would terminate its operations in the community.

Competition. Applicant is headquartered in Oxnard, about 50 miles northwest of downtown Los Angeles, and through its nine offices in six Ventura County communities serves the more populated southern portion of the County. It is in competition with eight other banks, four of them among the State's largest, operating 38 offices. There is some competition between Applicant and First Western's Moorpark Branch but it is not substantial. This branch has become a deficit and declining operation and has been offered for sale to Applicant, a well-established local type institution. Applicant's nearest offices to Moorpark are 7 and 10 miles distant and enjoy a limited amount of business from the community as do the other County banks. The two largest banks of the State combined hold nearly 70 percent of the aggregate deposits of Ventura County as contrasted with the 16.1 percent held by Applicant and less than 1 percent by First Western's Moorpark Branch.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks, as they would be for the resulting bank.

Convenience and Needs of the Community to be Served. The record indicates First Western has lost interest in its Moorpark Branch and is anxious to terminate operations there. Applicant is well established in Ventura County as a whole and welcomes the opportunity to establish a branch in Moorpark and extend full, aggressive, locally oriented type of service to its citizens as compared with the limited service now afforded.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 14	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Citizens Valley Bank Albany, Oregon	30,638	7	8
to merge with			
First National Bank of Independence Independence	5,029	1	

Summary report by Attorney General, February 8, 1968

The closest offices of the merging banks are 10 miles apart; Citizens' Jefferson office, in Marion County, is about 10 miles southeast of Independence, in Linn County. The proposed merger would eliminate some existing competition between the merging banks. However, there are several other banks in the area—including the Monmouth branch of United States National Bank (second largest in the State, with deposits of $1.2 billion), located 5 miles northwest of Independence; the Salem head offices of The Commercial Bank of Salem (deposits, $22 million) and Western Security Bank (deposits, $9.9 million) as well as the Salem branches of United States National Bank, First National

Bank of Oregon (Oregon's largest bank, with deposits of $1.3 billion), and The Oregon Bank (third largest in the State, with deposits of $63 million). In view of the number and size of the other banking alternatives in the Independence area—including offices of Oregon's three largest banks—and the small size of the acquired bank, we conclude that the proposed merger would not have any substantial adverse effect on competition in the Polk, Marion or Linn County markets.

Basis for Corporation approval, May 1, 1968

Citizens Valley Bank, Albany, Oregon (Citizens Bank), an insured State nonmember bank with total deposits of about $27.7 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with First National Bank of Independence, Independence, Oregon (National Bank), which has total deposits of about $4.2 million. The banks would merge under the charter and title of Citizens Bank and as an incident thereof, the sole office of National Bank would become a branch of the resulting bank, increasing the total number of offices to eight.

Competition. Citizens Bank's service area is a portion of the northwestern sector of the State of Oregon. It operates from its main office in Albany and one branch in each of six other smaller communities located at distances up to 25 miles from Albany. National Bank's service area is limited to approximately a 12 mile radius of the City of Independence. Such competition as may exist between the participating institutions appears to be of little significance. Their main offices are 20 miles apart, and Citizens Bank's closest office is at Jefferson, some 14 miles from National Bank and separated from it by the Willamette River. Potential competition is not a factor; Oregon statutes prevent de novo entry by other banks into Independence and, for its part, National has remained a local institution, never establishing any branches.

This merger would have little impact on the concentration of deposits and loans in the State of Oregon or in the service area of the resulting bank. In this latter area Citizens Bank holds 7.7 percent of the deposits and 10.2 percent of the loans. The resulting bank would hold 9.1 percent and 11.2 percent, respectively. In this same area the State's two large branch banking systems operate 53 percent of the banking offices and hold 74.6 percent of the deposits and 71.3 percent of the loans, a position which is roughly similar to that enjoyed by those two institutions on a state-wide scale. To some extent, this merger should enhance Citizens Bank's ability to compete effectively.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The banking factors with respect to National Bank are satisfactory, and this merger would substantially improve Citizens Bank's somewhat low capital position, thus, improving the banking factors for the resulting bank.

Convenience and Needs of the Community to be Served. The principal effect of this merger would be confined to the service area of National Bank. The larger resulting bank could more effectively meet the credit needs of that area and otherwise provide it expanded services.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 15	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Farmers Bank and Savings Company Peebles, Ohio (change title to The Farmers Bank)	6,272	1	3
to merge with **The Farmers National Bank of Manchester** Manchester	1,720	1	

Summary report by Attorney General, February 13, 1968

The banks involved are located in small towns in Adams County, Ohio, a largely agricultural area in southern Ohio. Farmers Bank and Savings Company has total deposits of $6 million and Farmers National Bank of Manchester has total deposits of $1.5 million.

The existing offices of the two banks are about 23 miles apart, and although there are no intervening banking alternatives it appears that little direct competition between them is now present. However, once the new West Union office of Farmers Bank is opened in the central part of the county, the closest offices of the merged banks will be only 9 miles apart. Direct competition between them may then exist.

The proposed transaction involves the second largest and the smallest of five banks (now operating six offices between them) in Adams County. Following the merger, Farmers Bank would become the largest bank in that county, and its percentage of IPC demand deposits would increase from 34 to 44 percent; its share of total county deposits would rise from 39 to 48 percent. The number of separate county banking alternatives would, at the same time, be reduced from five to four.

In conclusion, although county banking concentration would rise considerably as a result of this proposed merger the anticipated effect of this increase would be somewhat mitigated by the still rather considerable distance between the offices of the two banks and the relatively small size of the market's population and the acquired bank, Manchester National.

Basis for Corporation approval, May 1, 1968

The Farmers Bank and Savings Company, Peebles, Ohio (Applicant), an insured State nonmember bank with total deposits of $5,564,600, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The Farmers National Bank of Manchester, Manchester, Ohio (Farmers National) which has total deposits of $1,508,300 and to move Applicant's main office from Peebles to West Union, a distance of 13 miles southwest, the present main office to be retained as a branch. The banks would merge under the charter of Applicant and with the title "The Farmers Bank" and, as an incident to the merger, the sole office of Farmers National would become a branch of the resulting bank.

Both Applicant and Farmers National are located in Adams County, the population of which has declined from 21,700 in 1940 to 19,980 in 1960. Peebles is approximately 23 miles from Manchester and West Union is approximately midway between the two points, 13 miles from Peebles and 10 miles from Manchester. Manchester and West Union presently each domicile another bank. The bank in West Union, the county's largest, competes against both Applicant and Farmers National. Because of this and the distance between

Peebles and Manchester, there is little competition presently existing between the two subject banks. There would be only limited potential even after Applicant's main office is moved to West Union. While Applicant's share of deposits and loans would rise as a result of the merger, there is significant competition for savings and real estate loans from two savings and loan associations, one each in West Union and Manchester. Furthermore, the county's population is small and declining and its economy limited.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. The financial and managerial resources of both subject banks are favorable as they would be with the resulting bank. Future prospects of Farmers National are limited in view of its small size and the downward trend of Manchester. Consummation of the subject proposal would provide for continuity of a stronger institution in Manchester.

Convenience and Needs of the Community to be Served. While both banks have established a record of service to their communities, the resulting bank would be in a better position to expand the level of credit and other service to the communities involved.

On the basis of the above and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's applications is warranted.

No. 16	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bucks County Bank and Trust Company Perkasie, Pennsylvania	36,848	5	7
to merge with **The Chalfont National Bank** Chalfont	7,484	2	

Summary report by Attorney General, January 16, 1968

Bucks County Bank ($33 million total deposits) operates five offices in upper Bucks County, Pennsylvania. It has received approval to open two more offices in the same area. Chalfont National ($7 million total deposits) operates two offices in Chalfont, Pennsylvania, 6 to 8 miles south of the nearest Bucks County Bank offices. There are presently nine commercial banks, including three large Philadelphia banks, which operate a total of 18 offices in the area served by these two banks.

The proposed merger would eliminate considerable existing competition between Bucks County Bank and Chalfont National; and would increase concentration in upper Bucks County and in the county as a whole. Further, this proposed merger is one of a series of three recent merger agreements involving acquisition of banks in the area which, taken together, would seriously reduce the number of banking alternatives available to customers.

Basis for Corporation approval, May 7, 1968

Bucks County Bank and Trust Company, Perkasie, Pennsylvania (County Bank), an insured State nonmember bank with total deposits of about $33,243,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The Chalfont National Bank, Chalfont, Pennsylvania (National Bank), which has total deposits of about $6,792,000. The banks would effect this transaction under the charter and title of County Bank and as an incident thereof, the two offices of National Bank would become branches of County Bank, increasing the number of its offices to seven.

Competition. The participating banks are located in upper Bucks County, Pennsylvania, north-northwest of the City of Philadelphia. County Bank's service area is considered to be most of the northwestern part of Bucks County and portions of adjacent Montgomery County. National Bank, with two offices in the Borough of Chalfont, serves an area within a 5 or 6 mile radius of Chalfont in the west central section of Bucks County and a small portion of Montgomery County. Its service area extends to Doylestown, Bucks County seat, 5 miles east of Chalfont. There appears to be a slight overlapping of the participating banks' service areas but this largely occurs where the population is still relatively sparse and the economy agriculturally oriented. Each participating bank receives its major competition from other, closer banks. There is not a significant degree of competition between them, nor any realistic potential for such competition.

Radical changes in the banking structure are occurring and proposed in central Bucks County, which is more and more becoming a part of metropolitan Philadelphia. This growth and the prospect for its long-term continuation have interested many of Philadelphia's largest banks, some of whom have obtained approvals for de novo branches and two of whom are proposing mergers with banks in Doylestown. This invasion is naturally a matter of concern to National Bank, by far the smallest presently serving this territory. It seeks to maintain its local bank character by combining with another Bucks County bank, thus producing an independent local bank with the resources and managerial capability to achieve competitive effectiveness in the face of this challenge from very large banking institutions, and the merger should have this result.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The banking factors relating to both participating banks are satisfactory, as they would be with respect to the resulting bank.

Convenience and Needs of the Community to be Served. Both participating banks have provided local service in their respective communities over an extended period of time. The proposed merger seeks to continue to provide banking service from an independent local bank in competition with the expanding influence of the large Philadelphia based branch systems. The resulting bank will offer at National Bank's offices, substantially increased lending limits, computer servicing of accounts and trust services.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 17	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Kings County Lafayette Trust Company Brooklyn, New York	192,217	10	10
to assume a portion of the liabilities of **The Title Guarantee Company** New York	3,500	1	

Summary report by Attorney General, December 18, 1967

Kings County Lafayette Trust Company ("Lafayette") proposes that it become successor trustee on 33 trust accounts of The Title Guarantee Company ("Guarantee"), valued at about $3.5 million. Lafayette currently administers all but two of Guarantee's 37 trust accounts, accounting for most of its trust balances.

Guarantee has declined in recent years to either solicit or administer trust business, apparently preferring to concentrate instead on its title insurance business. However, it must continue to bear the expense of maintaining an office for the purpose of carrying out the discretionary functions required of it as trustee. This apparently motivated Guarantee's desire to transfer most of its remaining trust accounts to Lafayette.

According to the Applicant, ten major New York City banks account for about 84 percent of income derived from trust commissions throughout the New York City area; neither Lafayette nor Guarantee are in this group. In the context of such a market, it is unlikely that the proposed transaction will have a significant effect on competition. Moreover, since Lafayette already administers most of Guarantee's trust accounts, it does not appear that the transaction will result in the elimination of any direct competition between them.

Basis for Corporation approval, May 7, 1968

Kings County Lafayette Trust Company, Brooklyn, New York (Applicant), an insured State nonmember bank with total deposits of $163,645,800, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to assume a portion of the liabilities of The Title Guarantee Company, New York, New York, an operating noninsured institutions.

Competition. Essentially, under this proposal Applicant would become successor trustee on 33 personal trust accounts now administered by The Title Company. The latter has not solicited new trust accounts for many years and there is no competition between it and Applicant. The Title Company wishes to be relieved of future administration of this remaining trust business. The ten major New York City banks with trust department activities account for approximately 84 percent of the income derived from trust commissions throughout the New York City area. These banks hold total personal trust assets with a market value aggregating $8 billion. This contrasts with Applicant's trust department, the aggregate assets of which have a market value of $200 million. The Title Company's accounts are valued at less than $4 million. The proposed transaction would have no adverse effect on competition.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors with respect to Applicant are favorable as they would be for the resulting bank.

There would be no change in the service rendered or adverse effect on the convenience and needs of the Community.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 18	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Reading Trust Company Reading, Pennsylvania	115,722	6	7
to merge with			
Robesonia State Bank Robesonia	7,179	1	

Summary report by Attorney General, February 12, 1968

This is a proposal to merge the Reading Trust Company of Reading, Pennsylvania (six offices with deposits of $96.4 million) and the Robesonia State Bank of Robesonia, Pennsylvania (one office with deposits of $6.4 million).

Reading Trust and Robesonia State are both located in Berks County, Pennsylvania, in a mixed industrial and residential area. While the banks are situated some 14.5 miles apart, there would appear to be some direct competition between them. There are in Berks County, however, 16 other banks which between them operate 46 banking offices, all within a radius of 22.5 miles. In the Robesonia area, Robesonia State has competition from two branch offices of Peoples Trust City Bank, located in Womelsdorf and Wernersville, 1.5 and 3.5 miles distant.

If the proposed merger is approved, Reading Trust's share of total Berks County deposits would be increased from about 17 to 18 percent. It would remain third in size in Berks County.

Basis for Corporation approval, May 14, 1968

The Reading Trust Company, Reading, Pennsylvania (Applicant), an insured State nonmember bank with total deposits of $101,500,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Robesonia State Bank, Robesonia, Pennsylvania (State Bank) which has total deposits of $6,600,000. The banks would merge under the charter and title of the Applicant and, as an incident to the merger, the sole office of State Bank would become a branch of Applicant, increasing the number of its offices to seven.

Competition. Applicant is headquartered in Reading (population 98,200), the principal city and seat of Berks County (population 275,000). Its five branches are in Berks County including four in Reading and vicinity and one 18 miles north from the main office. The estimated population of Applicant's service area is 202,000. State Bank's office is in Berks County at Robesonia (population 1,600), 14 miles from Reading. Its service area population is estimated at 10,500.

The merging banks' primary service areas overlap to a small degree and each has some deposit and loan business originating in the other's area. Applicant's nearest office is 9 miles east from State Bank. However, Peoples Trust City Bank, Reading, has two branches in the intervening area, 3.5 and 7 miles east from State Bank. It also has a branch1.5 miles west. Peoples Trust is the second largest bank in the combined service area (IPC deposits $128 million) and is State Bank's nearest and principal competitor. American Bank and Trust Co. of Pa., Reading, largest in the area (IPC deposits $313 million), has two branches 10 miles from Robesonia and actively solicits business in State Bank's service area. These facts and other available information indicates the merging banks are not competitive with each other to a significant degree.

Applicant would have seven of the 41 bank offices in the resulting primary service area and would continue in its position as third largest bank. Its share of the IPC deposits would increase by 1.1 percent to 18.5 percent. American Bank and Peoples Trust, Applicant's principal competitors, have 53 percent and 22 percent and together operate 25 offices in this area. In the Robesonia area, Peoples Trust is also State Bank's chief competitor. Its two nearest branches have significantly more total deposits ($10.5 million) than does State Bank ($5.8 million). There would be no material impact on concentration of banking resources in the relevant service area. Replacement of State Bank by a branch of the Applicant should tend to enhance competition in the Robesonia area.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly nor would it in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are favorable with respect to the merging banks and are so projected for the resulting bank. Consummation of the proposal would provide a depth of management which is presently lacking at State Bank.

Convenience and Needs of the Community to be Served. Applicant would bring services to Robesonia which are not presently offered by State Bank including trust services, data processing services, specialized lending services, a broader range of instalment loans and an increased lending limit. There is evidence of need for these services and their availability should prove beneficial to the community.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 19	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Inter-City Bank Benton Harbor, Michigan	45,820	7	8
to consolidate with **The Eau Claire State Bank** Eau Claire	4,464	1	

Summary report by Attorney General, February 15, 1968

As of October, 1967, Inter-City, operating seven banking offices, had total deposits of $40.3 million; Eau Claire, a unit bank, had total deposits of $3.8 million. All offices of the merging banks are situated in Berrien County (1960 population 150,000), a fruit producing locality with some crop farming, dairying and industrial activity. Berrien County is currently served by eight banks operating a total of 28 banking offices.

The closest offices of the merging banks are 14 miles apart. Loans and deposits involving mutual customers would appear to be minimal, and the amount of direct competition between the banks seems not to be great. The two branches of First National of Southwest Michigan (within a radius of 8 miles of Eau Claire) provide alternative banking facilities for the community.

Within the entire county, the merger will result in a considerable increase in concentration. In Berrien County, the merger would increase Inter-City's share of IPC demand deposits from about 25 to 28 percent, and its share of total deposits from about 22 to 24 percent.

Basis for Corporation approval, May 14, 1968

Inter-City Bank, Benton Harbor, Michigan (City Bank), an insured State nonmember bank with total deposits of about $41.2 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to consolidate with the Eau Claire State Bank, Eau Claire, Michigan (State Bank) also an insured State nonmember bank, which has total deposits of about $3.9 million. The banks would consolidate under the charter and title of City Bank and as an incident thereof, the sole office of State Bank would become a branch of the resulting bank, increasing the total number of offices to eight.

Competition. The participating banks are located in Berrien County, which is in the southwestern corner of the State of Michigan and borders on Lake Michigan. The service area of City Bank embraces the territory around Benton Harbor, Michigan including St. Joseph across the St. Joseph River from Benton Harbor, and the area within several miles of each of the towns of Baroda, Galien and Buchanan. The service area of State Bank is confined to a radius of 5 to 6 miles around Eau Claire, the location of its sole office, 14 miles southeast of Benton Harbor. Competition between the two institutions appears to be slight. Their closest locations are 10 miles apart and are intervened by a branch of the area's largest bank and the St. Joseph River. There is no direct access between these locations. In addition, each of the participating banks faces competition from other, much closer banking offices.

The proposal would unite the smallest bank with the third largest bank operating in the service area, which now has 20 percent of the IPC deposits and 20.3 percent of the loans. City Bank would gain 1.9 percent in IPC deposits and 1.7 percent in loans but these increments are not considered significant in view of the relative ineffectiveness of State Bank as a competitor, present or potential, and the overall picture in the service area which includes sizeable nonbank competition.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The banking factors with respect to City Bank are favorable. State Bank has experienced only nominal growth, has long had less favorable management and lacks the executive talent necessary to maintain the operation, although other banking factors with respect to it are at present acceptable.

The resulting bank would be satisfactory under all these factors.

Convenience and Needs of the Community to be Served. As a result of this transaction, State Bank will become a branch office of an aggressive, capably managed bank offering larger lending limits, full trust services, data processing, and a broader range of loans which should significantly benefit the Eau Claire area.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 20	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Anderson Bank of Dillon Dillon, South Carolina (change title to Citizens Bank of South Carolina)	11,079	2	4
to merge with			
The First National Bank of Lancaster Lancaster	4,908	2	

Summary report by Attorney General, March 4, 1968

The two merging banks are relatively small banks, each with two offices, in northern South Carolina.

Anderson Bank's two offices serve a primarily rural community with little significant growth in the last 10 years; their market has a population of only 35,000. Anderson Bank appears to be the largest of the five commercial banks doing business within its market area, having almost one-half of the markets total deposits and one-third its loans. Lancaster County (1960 population 39,352) is located in one of the fastest growing and most industrialized areas in the State. First National, with 16 percent of total county deposits, is the second largest of four commercial banks in Lancaster County, although considerably smaller than the largest, The Bank of Lancaster, with 70 percent of total county deposits.

The closest offices of the merging banks are 82 miles apart, and there appears to be no existing competition between them. Because South Carolina law permits statewide branching, the merger could eliminate some potential competition between the two banks. However, in view of each bank's limited resources it is not very likely that either would establish a *de novo* branch in the area served by the other.

Basis for Corporation approval, May 14, 1968

The Anderson Bank of Dillon, Dillon, Dillon County, South Carolina (Anderson Bank), an insured State nonmember bank with total deposits of $10,400,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with The First National Bank of Lancaster, Lancaster, Lancaster County, South Carolina (First National) which has total deposits of $4,405,000. The banks would merge under the charter of Anderson Bank and with the title Citizens Bank of South Carolina. As an incident to the merger, First National's two offices would become branches of Anderson Bank, increasing the number of its offices to four.

Competition. Dillon, the location of Anderson Bank's main office, is the seat of Dillon County and has a population of 6,500. Clio, location of Anderson Bank's only branch, is a small town located 17 miles northwest of Dillon. Dillon County comprises the major portion of the service area. Lancaster, the location of First National's main office and one branch, is the seat of Lancaster County and has a population of 8,500. Lancaster County comprises the major portion of First National's service area. Lancaster is located about 100 miles west of Dillon and about 82 miles west of Clio. The two banks serve separate and noncontiguous trade areas and there is no known competition between them. They have no common deposit or loan customers and neither bank derives deposits or loans from the service area of the other. Moreover, although statewide branching is permitted in South Carolina, there is very little, if any, potential for the development of competition between them because both are relatively small banks without sufficient capital to expand their operations on a broad scale geographically through the establishment of de novo branches. Although Anderson Bank holds the largest proportion (about two-fifths) of total bank deposits represented in five banking offices in its service area, it competes with branches of the largest bank in South Carolina, which operates a statewide branch system, and the seventh largest bank in North Carolina. First National holds only 14 percent of total bank deposits among five banks in its service area, as compared to the largest bank (also located in Lancaster) which holds more than two-thirds.

The Board of Directors is of the opinion that the merger would not lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The growth and success of both Anderson Bank and First National are evidence that they are serving the convenience and needs of their respective communities. The merger would not alter this situation or the number of banking offices. Additional banking services would accrue to the public largely through an increased lending limit and various miscellaneous services which the larger bank would make possible.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 21	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Southern Bank and Trust Company Greenville, South Carolina	48,691	10	14
to merge with **The Pelzer-Williamston Bank** Williamston	6,306	4	

Summary report by Attorney General, April 15, 1968

Although the head offices of the applicant banks are about 45 miles apart, the Southern branch office in Piedmont, which is at the Greenville-Anderson County line, is only 4 miles from the nearest office of Pelzer-Williamston and there are no banks in the intervening area.

The economy of the area served by Pelzer-Williamston and the Piedmont office of Southern is predominately rural, with some textile manufacturers that provide most of the non-agricultural employment in the area. However, the economic outlook for the area is favorable with accelerated growth predicted for industry and population.

The merging banks have some common customers both with respect to loans and deposits, and each merging bank also has a fair amount of deposits from loans in the area immediately surrounding the other bank. Thus, there would appear to be direct competition between these banks which will be eliminated by the proposed merger. The proposed merger will also eliminate the most convenient alternative banking facility for the Piedmont area residents.

The market served by Pelzer-Williamston and Southern's Piedmont branch is also served by the Belton Bank ($3.8 million in deposits) and a branch of The South Carolina National Bank ($260.8 million in deposits), both located in Belton, 7 miles southwest of Williamston. In this market, an area of about 16 miles in diameter, which includes the communities of Williamston, Piedmont to the northeast and Belton to the southwest, and has a population of about 12,500, as of June 30, 1966, Pelzer-Williamston had about 27 percent of IPC demand deposits and Southern (Piedmont branch) had about 13 percent. Furthermore, the merging banks operate five of the seven banking offices in this market. Thus, in this rural area the level of concentration will be increased considerably by the proposed merger.

Basis for Corporation approval, May 27, 1968

Southern Bank and Trust Company, Greenville, South Carolina (Applicant), an insured State nonmember bank with total deposits of $43,581,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The Pelzer-Williamston Bank, Williamston, South Carolina (Williamston Bank), which has total deposits of $5,704,000. The banks would merge under the charter and with the title of the Applicant and, as an incident to the merger, the four offices of Williamston Bank would become branches of the Applicant, increasing the number of its offices to 14.

Competition. Applicant is headquartered in Greenville which has a population of 70,000. It operates three branches in Greenville and one in each of six other communities in the northwestern section of the State. Williamston is 18 miles south from Greenville and has a population of 3,700. In addition to its main office, Williamston Bank operates a branch in that community and one in each of two communities two miles north of Williamston. The merging banks' closest offices are 4 miles apart and no other banking locations are situated between them.

The service area relevant to this proposal is Greenville County and the eastern portion of Anderson County. Three of the State's five largest banks, including one headquartered in Greenville, have offices in this area. The State's largest bank has 12 branches in the service area which hold 36.0 percent of the total deposits held by the 52 banking offices. The second largest share is held by the State's fifth largest bank which has 13 offices and 28.1 percent. The State's second largest bank has six offices and 8.4 percent. Thus, three of the State's five largest banks hold 72.5 percent of the deposits in the relevant service area. Applicant's share would increase by 2.5 percent and the resulting bank would have 12.3 percent of the aggregate total deposits.

Williamston Bank's declining earnings, slow growth, conservative and elderly management are not the indications of a strong bank competing effectively in its service area. In view of this and measured by the amount of business each derives from the other's immediate area, it appears there is not a substantial amount of competition between the merging banks. The small increase in concentration in banking resources in the relevant market area would not have significant adverse effects on competition.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly or, in any other manner, be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to the applicant and are so projected for the resulting bank. Improved management quality and depth would be provided the Williamston Bank offices by the Applicant. Williamston Bank's prospects under its present management and poor operating results are not favorable.

Convenience and Needs of the Community to be Served. The growing economy in the Williamston Bank area has tended to increase the credit requests by the bank's customers. The most significant change in services to be offered by the resulting bank is the greater legal lending capacity which would be available at the Williamston Bank offices. The aggressive and well operated Applicant would provide improved and more varied services to the communities presently served by Williamston Bank.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 22	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Beverly Trust Company Beverly, Massachusetts (change title to Bay Bank and Trust Company)	20,912	6	7
to merge with			
Lynn Safe Deposit & Trust Company Lynn	8,326	1	

Summary report by Attorney General, April 24, 1968

Beverly Bank and Lynn Bank are located in the southeastern sector of Essex County about 20–25 miles northeast of Boston.

Baystate Corporation of Boston, a registered bank holding company, owns 89.8 percent of Beverly Bank's capital stock and 96.6 percent of Lynn Bank's capital stock. Since the recent acquisition of control of both Lynn Bank and Beverly Bank by Baystate Corporation, it would appear that there is now little or no competition between the two banks; however, because of the numerous intervening banking alternatives, it would appear that any competition between these banks would have been minimal prior to such acquisition.

Prior to the Baystate Corporation acquisition, it was possible that Beverly Bank, with six branches already, could have opened a *de novo* branch in the Lynn-Swampscott market area. However, this is a highly populated and heavily banked area of suburban Boston, and Lynn Bank is a minor element in the Lynn-Swampscott market. We do not believe, therefore, that this merger will have an adverse effect upon present or potential competition within that market.

Basis for Corporation approval, May 27, 1968

Beverly Trust Company, Beverly, Massachusetts (Applicant), an insured State nonmember bank with total deposits of $17.9 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Lynn Safe Deposit & Trust Company, Lynn, Massachusetts (Lynn Bank) which has total deposits of $6.4 million. The banks would merge under the Applicant's charter and with the title Bay Bank and Trust Company and, as an incident to the merger, Lynn Bank's sole office would become a branch of the Applicant, increasing the number of its offices to seven.

Competition. Applicant is headquartered in Beverly (population 40,000) and has six offices. Two branches are in Beverly and there is one each in the towns of Hamilton, Danvers and Lynnfield. Lynn Bank is a single office institution located at Lynn (population 94,500), seven miles from Applicant's nearest office. Both banks are subsidiaries of Baystate Corporation, a registered bank holding company; the Applicant since 1954 and Lynn Bank since 1966, and there is no effective competition between them. The merging banks' office locations, the presence of intervening banks and other evidence indicates that competition between them was minimal prior to 1966.

There are eight other commercial banking offices in the vicinity of Lynn Bank including the main offices and five branches of the two largest commercial banks in the resulting service area. The two largest banks also operate offices in Applicant's service area. Among the commercial banks in the combined service area, the two largest hold 71 percent of both the IPC demand and total IPC deposits. The resulting bank would have 15 percent of the IPC demand and

16.5 percent of the total IPC deposits. There are no other subsidiaries of Baystate in this area. Time deposits are a major object of competition and are heavily concentrated in the mutual savings banks. Four such banks in the combined service area hold 85.6 percent of the time and savings deposits. The resulting bank would have 2.7 percent. Competition should tend to be enhanced throughout the combined service area through the significantly increased lending limit and the broader services to be offered by the larger resulting bank.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to the merging banks and are so projected for the resulting bank. A management succession problem at Lynn Bank would be solved by the proposal.

Convenience and Needs of the Community to be Served. The significantly larger lending limit and broader trust and other expanded services which could be offered by the resulting bank would benefit all communities involved in this proposal.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 23	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
First Israel Bank and Trust Company of New York New York, New York (proposed new bank)			1
to acquire a portion of the assets and assume a portion of the deposit liabilities of **Bank Leumi Le-Israel B. M.** Tel-Aviv, Israel	50,879[3]	1	

Summary report by Attorney General, December 11, 1967

First Israel Bank and Trust Company is being organized to acquire substantially all of the commercial banking business of the New York City branch of Bank Leumi. Officers of the existing branch will become the principal officers of the new bank, and Bank Leumi will own or control about 70 percent of the stock of the new bank. The purpose of the transaction is to provide customers of the existing branch with better service, increased deposit protection, and a larger, more productive facility.

Since the proposed transaction involves a corporate reorganization, rather than the elimination of any existing competitor, its consummation would not adversely affect competition.

Basis for Corporation approval, June 18, 1968

Pursuant to Sections 5 and 18(c) and other provisions of the Federal Deposit Insurance Act, applications have been filed in behalf of First Israel Bank and Trust Company of New York, New York (Manhattan), New York (Applicant), a proposed new bank, for Federal deposit insurance and for the Corporation's prior consent for the Applicant to acquire the assets of and assume the liability to pay deposits made in the New York Branch (Bank Leumi) of Bank Leumi Le-Israel B.M., Tel-Aviv, Israel, an operating noninsured bank located at 60 Wall Street, New York (Manhattan), New York. As of November 17, 1967, Bank Leumi held total deposits of $44,400,000. Applicant will occupy under lease the quarters (sole office) presently occupied by Bank Leumi.

Competition. The applications for State charter, Federal deposit insurance, and the Corporation's consent to the purchase and assumption transaction constitute the legal formalities for what, in the practical sense, represents the conversion of the noninsured New York Branch of a foreign bank to an insured domestic bank. Bank Leumi has been in existence as a branch of Bank Leumi Le-Israel B.M., Tel-Aviv, Israel, since September 1961. Primarily, it was established for the purpose of serving the broad international objectives of the parent bank as they relate to the development of the economy of Israel. Applicant will continue the policies and operations of Bank Leumi. There will be no change in the number and location of banking offices. Any competitive implications should involve a stimulation of competition by virtue of the advantages of Federal deposit insurance, additional eligibilities for loans and deposits, and the availability of additional capital. These would make the Applicant a more effective force in competing for banking business in the New York area.

The Board of Directors is of the opinion that the merger would not lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The factors of financial history and condition of the bank, adequacy of its capital structure, its future earnings prospects, and general character of its management are favorably resolved and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The location of Bank Leumi, which also will be the location of Applicant, is in the heart of the principal financial district of New York. As the largest city in the world and the location of United Nations Headquarters, its economic importance as the leading financial and international banking center of the world is apparent. The increased eligibilities as a Federally insured domestic bank will enable Applicant to provide a broader range of banking services to the public.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the applications for Federal deposit insurance and consent to the acquisition of assets and assumption of liabilities is warranted.

No. 24	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
First State Bank Killeen, Texas (change title to American State Bank)	4,335	1	1
to merge with			
American National Bank of Killeen Killeen	4,183	1	

Summary report by Attorney General, May 31, 1968

First State Bank and American National Bank, both organized in 1962, are located about one-eighth of a mile apart in downtown Killeen, Texas. Killeen, approximately 60 miles southwest of Waco, Texas, is principally a service area for Fort Hood, the Nation's largest military installation. Its present population is estimated to be 24,000; the total Fort Hood-Killeen area is estimated to have a population of approximately 90,000.

The two banks serve the same area and practically all of their deposit and loan accounts come from within this area. The substantial direct competition between the banks would be eliminated by the proposed merger.

The Fort Hood-Killeen area is now served by four commercial banks, three in downtown Killeen and one on the Fort Hood army post. In this market, State Bank and National Bank account for 11 percent and 14 percent, respectively, of IPC deposits and 19 percent and 22 percent, respectively, of loans. The First National Bank, the largest bank in Killeen, holds 55 percent of IPC deposits and 50 percent of the loans in this market.

The proposed merger would increase concentration of IPC deposits and loans of the two largest banks in the area to 80 percent and 91 percent, respectively, and because Fort Hood National Bank serves primarily military personnel, the number of banking alternatives serving business and civilian customers would be reduced from three to two.

We conclude that the proposed merger would adversely affect competition in the Fort Hood-Killeen area.

Basis for Corporation approval, June 27, 1968

First State Bank, Killeen, Texas (Applicant), an insured State nonmember bank with total deposits of $3,750,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with American National Bank of Killeen, Killeen, Texas (Other Bank) which has total deposits of $3,515,000. The banks would merge under the Applicant's charter and with the title "American State Bank". In conformance with State law, the resulting bank will operate no branches.

Competition. Applicant and Other Bank are located one block apart in Killeen, Texas, population currently estimated at 35,000. The merging banks are commonly owned and managed. Present ownership obtained control of Other Bank in June, 1967 and of Applicant in April, 1968. Each bank, opened for business about five years ago, has shown only modest deposit growth and unimpressive earnings, despite the growing economy and population in the area. There is presently no effective competition between the merging banks and they do not appear to have been strong competitors to any bank in the past.

The merging banks are the two smallest of three banks in Killeen and are located within a few blocks of each other in the downtown section. A bank comparable in deposit size to Applicant is located in adjacent Fort Hood which primarily caters to the needs of the military personnel. The Killeen-Fort Hood service area is dominated by a bank in Killeen which holds 60.3 percent of the IPC deposits. That bank and the bank in Fort Hood are closely associated and together hold 72.8 percent of the IPC deposits. The resulting bank would have 27.2 percent. The proposal would result in a larger and stronger bank which could compete more effectively with the bank now dominating the service area.

The Board of Directors is of the opinion that the effect of the proposed merger on competition would not be substantially to lessen competition tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to the resulting bank. The financial and managerial resources of Other Bank have significantly improved under present ownership and management. Both banks have experienced only modest deposit growth and their future prospects as separate units are not favorable.

Convenience and Needs of the Community to be Served. The proximity of the merging banks' offices indicates that the closing of one office would cause little or no inconvenience to the community. The resulting bank should be able to more adequately serve the community through its ability to make larger loans, afford more and specialized personnel and provide modern accounting services through an off-premises data center.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 25	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of America National Trust and Savings Association San Francisco, California	17,806,731	—(1)	—
to merge its foreign subsidiary **National Mid-Atlantic Bank Limited,** Basseterre, St. Kitts, Federation of St. Kitts, Nevis and Anguilla, West Indies	1,030	3	

Summary report by Attorney General, May 7, 1968

The National Mid-Atlantic Bank Limited is one of six banks, (including a Government Savings Bank) in the Federation of St. Kitts, Nevis and Anguilla in the West Indies and the only American bank or bank subsidiary in the Federation.

Mid-Atlantic is a virtually wholly-owned subsidiary of Bank of America, and the present application seeks permission to convert its offices into direct branches of Bank of America. The competitive impact of the proposed merger transaction and the recent stock acquisition which preceded it, in our view, will be minimal.

Basis for Corporation approval, July 9, 1968

The Bank of America National Trust and Savings Association, San Francisco, California (Applicant), total deposits $15.8 billion, has applied, pursuant to Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's approval to merge with National Mid-Atlantic Bank Limited, Basseterre, St. Kitts, Federation of St. Kitts, Nevis and Anguilla, West Indies (Other Bank), total deposits $803,000, an uninsured subsidiary of Applicant.

There is no competition now between the merging banks because of their recent affiliation and they did not compete with each other prior to the advent of that relationship. Applicant's nearest foreign branches are more than 800 miles from St. Kitts. The proposal could increase competition with the other banks on the islands which include offices of two foreign banks with deposits of $3.1 billion and $5.9 billion.

The factors of financial and managerial resources, future prospects and convenience and needs of the community are favorable with respect to the Applicant and the resulting bank. The future prospects of Other Bank would be significantly improved as branches of Applicant under the existing political situation in Other Bank's area.

The Board of Directors is of the opinion that the effect of proposed merger would not be substantially to lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

On the basis of the information presented and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 26	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of Clarksdale Clarksdale, Mississippi	42,442	8	9
to merge with **Tutwiler Bank** Tutwiler	2,535	1	

Summary report by Attorney General, March 21, 1968

Clarksdale Bank's main office is situated in Clarksdale, Mississippi (population 22,000), the county seat of Coahoma County (population 46,212). Three of its branch offices are also located in that county. Tutwiler Bank's sole office is situated in adjacent Tallahatchie County (population 24,081). This two-county area is still predominantly agricultural and sparsely populated, although there is a gradual trend toward industrial growth. Prospects for continued economic growth are favorable.

Within Coahoma County, Clarksdale Bank competes with four offices of two other commercial banks and is the dominant bank, controlling about 45 percent of the county's total deposits. Tutwiler Bank competes with four offices of three commercial banks in Tallahatchie County, one of which is a branch of the third largest bank in Mississippi (total assets, $75 million). Tutwiler Bank holds over 15 percent of total county deposits.

The market affected by this merger would be southeastern Coahoma County and western Tallahatchie County. Clarksdale is the trading and financial center for this rural area, and Clarksdale Bank serves customers throughout the entire area served by Tutwiler Bank. The closest offices of the merging banks are some 15 miles apart, without intervening banks, and there appears to be considerable direct competition between them which this merger would eliminate. This merger would also increase somewhat the level of banking concentration in southeastern Coahoma and western Tallahatchie Counties. However, these anticompetitive effects of the proposed merger would be mitigated somewhat by the small size of the acquired bank and the continued existence of five banks within the relatively sparsely populated two-county area.

Basis for Corporation approval, July 9, 1968

Bank of Clarksdale, Clarksdale, Mississippi (Applicant Bank), an insured State nonmember bank with total deposits of about $38,723,000 has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Tutwiler Bank, Tutwiler, Mississippi (Merging Bank) which has total deposits of about $2,331,000. The banks would merge under the charter and with the title of the Applicant Bank and as an incident to the merger, the sole office of Merging Bank would become a branch of the Applicant Bank, increasing the number of its offices to 9.

Competition. Applicant Bank operates its main office and one branch in Clarksdale, population about 21,000 and the seat of Coahoma County, population about 46,000 in the Delta region of Northwestern Mississippi. Six other branches are presently in operation in small communities surrounding Clarksdale and ranging in distance up to 32 miles from it. Merging Bank operates its sole office in Tutwiler in Tallahatchie County, 15 miles southeast of Clarksdale. Merging Bank's primary competitor is located in Sumner, 5 miles southeast of Tutwiler and is a branch of a large Grenada-based bank. While Merging Bank's service area is situated entirely within that of Applicant Bank, only limited competition has existed between them. Merging Bank's small size and conservative management over the years restricted its effectiveness as a competitor. In January 1968, majority control of Merging Bank was offered to Applicant and was acquired by the president of Applicant Bank.

There are two other effectively competing banks in Clarksdale and, although Applicant is the largest bank headquartered in the overall service area, numerous banking alternatives are readily accessible, including branches of a considerably larger bank based elsewhere. The very small increase in Applicant's resources would not adversely affect competition in the relevant area.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are satisfactory with respect to Applicant Bank as they would be for the resulting bank, and by virture of the common management are also satisfactory with respect to Merging Bank.

Convenience and Needs of the Community to be Served. Past performance suggests that the Applicant Bank is a well established bank able and anxious to expand the services it offers and to extend them into new areas. The community of Tutwiler would be benefited by the introduction of new services, including increased lending limits, student loans, computer services and exchange of checks on a full par basis.

On the basis on the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 27	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The First National Bank of Oelwein Oelwein, Iowa	14,098	3	4
to merge with **Oran Savings Bank** Oran	1,372	1	

Summary report by Attorney General, April 9, 1968

The subject proposal would merge First National Bank of Oelwein, the largest commercial bank in terms of deposits in Fayette County and surrounding area, with Oran Savings Bank, the area's smallest commercial bank.

Oelwein (1960 population, 8282) and Oran (1960 population, 170) are situated in the southwestern corner of Fayette County (1960 population, 28,581) in the northeastern section of Iowa. Agriculture and agriculture-supported industries are the major sources of income to Fayette County residents. Fayette County is served by 11 commercial banks operating 14 offices.

There are no banking offices in the intervening 10 miles between the main offices of the merging banks. Therefore, it seems clear that there is some competition present between the two banks which would be eliminated by consummation of the proposed merger.

Oelwein Bank accounts for about 31 percent of Fayette County total deposits and for some 30 percent of the county's IPC demand deposits. Following consummation of the proposed merger, Oelwein Bank would control 34 percent of both county total and IPC demand deposits. However, because of the small size of both the acquired bank and the market to be affected, plus the number of banking alternatives which will remain available to residents of the Oelwein-Oran area, we conclude that the over-all effect of this transaction on banking competition in Fayette County will probably not be significantly adverse.

Basis for Corporation approval, July 9, 1968

The First National Bank of Oelwein, Fayette County, Iowa (National), with total deposits of $13 million, has applied, pursuant to the provisions of Section 18(c) (1) (A) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Oran Savings Bank, a noninsured bank with total deposits of $1,150,000, under the charter and title of National. Incidental to the merger, National has made application to the Comptroller of the Currency for consent to establish the sole office of Oran Savings as a branch, increasing its number of offices to four.

Competition. Oelwein is located in the southwest part of Fayette County in northeast Iowa, about 25 miles northeast of Waterloo (population 71,755) which is the principal trading center of the area. Oelwein had a 1960 population of 8,282 and its trade area has an estimated population of 18,000. Primarily, Oelwein serves as a trading center for a prosperous agricultural area. Oran is located 11 miles west of Oelwein and is a small country town with a population of only about 170. It has very limited trading facilities and Oran Savings is the only financial institution located there. The service area of National encompasses the much smaller service area of Oran Savings; however, the competition that exists between the two banks is not substantial. National is the largest among twelve banks competing in its service area, Oran Savings is smallest, and the resulting bank, among eleven remaining banks, would hold less than 22 percent of total bank deposits. Several alternative sources of banking services would still be available to the public, and the elimination of the one small unit bank would not alter to any significant degree the present competitive climate.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The existence for many years and growth and success in recent years of both National and Oran Savings are evidence that they are serving the convenience and needs of their respective communities. The merger would not alter this situation or the number of banking offices. Additional banking services would become available locally to the public in Oran, largely through an increased loan limit, trust department facilities, and various miscellaneous services which the larger bank would make possible. Moreover, the benefits of Federal deposit insurance would accrue to the deposit customers of Oran Savings.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 28	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Barclays Bank of California San Francisco, California	17,388	2	5
to acquire the assets and assume the deposit liabilities of			
The Independent Bank Anaheim	30,500	3	

Summary report by Attorney General, June 6, 1968

The respective banks are located in two separate, but adjacent, metropolitan areas. Los Angeles County (the Los Angeles Standard Metropolitan Statistical Area), in which Barclays' California branches are located, is the nation's largest county in population, with an economy notable for sustained rapid growth and diversification. Anaheim, in adjacent Orange County (itself a separate Standard Metropolitan Statistical Area) has the third largest population of California counties and is also undergoing rapid growth.

The nearest branches of the two banks are approximately 24 miles from each other, and there are numerous other banks, including large statewide branch networks, in the intervening area. Thus, it does not appear that a merger of the two banks would eliminate existing competition.

Since California law permits statewide *de novo* branch banking, each of the two merging banks might enter the market of the other. These markets are highly concentrated, with the five largest banks in Orange County having 82 percent of total county deposits and the five largest in Los Angeles County having 85 percent. The significance of such potential entry is reduced by the two merging banks are relatively small (albeit growing) factors in the markets in which they already operate. Barclays California and Independent account for only 0.9 percent and 2 percent of total deposits in their respective markets.

Basis for Corporation approval, July 17, 1968

Barclays Bank of California, San Francisco, California (Barcal), an insured nonmember bank with total deposits of $12,669,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to acquire the assets and assume liability to pay the deposits made in The Independent Bank, Anaheim, California (Independent) which has total deposits of $26,724,000. The transaction would be effected under Barcal's charter and title and as an incident to the proposed transaction, the three offices of Independent would become branches of Barcal, increasing the number of its offices to five.

Competition. Barcal's branch in Los Angeles (population 2.7 million) is approximately 425 miles from San Francisco (population 740,000) where Barcal's main office is situated. The area served by Independent is twenty-five miles from the trade area of Barcal in Los Angeles and there is virtually no competition between the participating banks. The offices of Barcal are located in the financial districts of their respective cities and are in direct competition with the main offices and/or branches of many banks, some of which are among the largest in the United States. The Anaheim-Fullerton area where Independent is located, is in the northern part of Orange County. Many of the larger banks have branches throughout this area. Barcal has only an infinitesimal amount of deposits in the two trade areas it serves in comparison to deposits of all the banks. Independent holds only about 1.99 percent of bank deposits in Orange County.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks, as they would be for the resulting bank.

Convenience and Needs of the Community to be Served. The evidence indicates the proposal would have no beneficial or detrimental effect on the two largest cities in California where Barcal has its offices because of the heavy concentration of banking offices. The Anaheim-Fullerton area may benefit to some extent as the resultant bank will have a larger lending limit which would enable it to serve larger borrowers and handle bigger loans than could Independent. It will also be able to offer expert knowledge in the field of international banking because of its affiliation with large British-based banks.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 29	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
State Bank and Trust Company Greenwood, South Carolina	121,405	31	32
to merge with **Batesburg State Bank** Batesburg	5,914	1	

Summary report by Attorney General, May 15, 1968

State Bank and Trust Company's offices are located mainly in the western third of the State. Since 1955 it has acquired nine banks with deposits totaling about $32.6 million, including Pickens Bank, the acquisition of which was approved by the Federal Deposit Insurance Corporation on March 25, 1968, and which should add two additional branches to State Bank.

Batesburg (population 3,806), on the western border of Lexington County (population 60,000) is located in a largely rural area in west central South Carolina. The South Carolina National Bank, the State's largest in terms of deposits, operates a branch office at Leesville, about four miles east of Batesburg, and offers Batesburg State Bank direct competition.

The closest offices of the Applicant banks are about 15 miles apart, and there appears to be little, if any, direct competition between them. South Carolina law permits statewide branch banking and State Bank could, therefore, branch *de novo* into the Batesburg area. However, in view of the fact that the area is sparsely settled there would appear to be little need for a third banking office.

We conclude that the consummation of this merger would not adversely affect banking competition in the Batesburg-Leesville area.

Basis for Corporation approval, July 17, 1968

State Bank and Trust Company, Greenwood, South Carolina (State Bank), an insured nonmember State bank with total deposits of about $110,274,900, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Batesburg State Bank, Batesburg, South Carolina (Batesburg Bank), also an insured nonmember State bank, which has total deposits of about $5,471,300. The banks would effect this transaction under the charter and title of State Bank, and as an incident thereof, the main office of the Batesburg Bank would become a branch of State Bank, increasing its number of offices to 32.

Competition: State Bank's service area is composed of a series of smaller service areas surrounding the 19 communities in which it has offices in central, southwestern and western South Carolina. State Bank, however, does not saturate the area, and there are considerable distances between some of the communities in which it operates. Batesburg Bank's service area is composed of the communities of Batesburg and adjoining Leesville as well as the surrounding area. Only marginal competition exists between the Batesburg Bank and the Saluda Branch of State Bank which is located 16 miles northwest of Batesburg. The primary competition for the Batesburg Bank is the Leesville Branch of The South Carolina National Bank of Charleston, the largest bank in the State. State Bank could branch de novo in Batesburg, but this does not appear likely due to the small size of the community and the fact that the Batesburg-Leesville area is already served by two banks. Two efforts by another bank to establish a de novo branch in Batesburg have recently been disapproved.

State Bank is the fourth largest bank in South Carolina and presently holds 9.9 percent of the deposits and 8.8 percent of the loans held by all banks in its service area. As a result of this transaction these percentages would be increased to 10.4 percent and 9.1 percent respectively. Batesburg Bank is the next to the smallest of five banks operating in its service area. This merger will have virtually no effect on the structure of banking in South Carolina or in the service area of State Bank. Furthermore, the merger would replace the single office of a small bank offering limited services with a branch office of a much larger bank capable of offering more effective competition to the Leesville Branch of the State's largest bank.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects: The banking factors with respect to both participating banks are satisfactory, as they would be following the proposed merger.

Convenience and Needs of the Community to be Served: The major impact of this merger will be felt in the Batesburg area. The number and location of banking offices will remain unchanged, but several important changes will be made in services offered. The legal lending limits would be vastly increased, full trust services would be available, a modified credit check plan will be introduced, and time open accounts offering 5 percent will be available in addition to the savings accounts and certificates of deposit now available. Some of these services are offered at the Leesville Branch of The South Carolina National Bank of Charleston, but the introduction of these services at Batesburg would benefit the community by providing an alternate source.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 30	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
American Bank and Trust Co. of Pa. Reading, Pennsylvania	379,140	20	30
to merge with			
The Peoples National Bank and Trust Company of Norristown Norristown	49,478	10	

Summary report by Attorney General, April 11, 1968

American Bank & Trust Company of Pennsylvania ("American"), is the largest commercial bank in central Pennsylvania. American, headquartered in Reading, operates 18 branch offices in Berks, Schuylkill, Lebanon, and Lancaster Counties.

Peoples National Bank & Trust Company of Norristown ("Peoples") has its head office and 7 of its 8 branches are situated in and around Norristown (1960 population, 39,000), in south central Montgomery County (a part of the Philadelphia SMSA) which is contiguous to Berks County.

Montgomery County is situated in the fastest growing area in the State, and the prospects for continued population and industrial growth in the area are exceptionally favorable.

The major portion of Peoples' business is derived from within central Montgomery County, in and around Norristown, and the Paoli-Phoenixville-Spring City area of adjacent Chester County. Within this area, as of June 30, 1966, 15 commercial banks (only six of which are headquarterd in Montgomery County) operated 42 banking offices, including 16 branches of the largest banks in Philadelphia. Based on data for June 30, 1966, Peoples was the third largest bank in the Norristown area as defined above; and accounted for between 15 percent and 20 percent of total IPC demand deposits within this market.

The merging banks' closest offices are about 28 miles apart, with numerous alternatives in the intervening area. The amount of direct competition between the merging banks seems at the moment to be very limited. On the other hand, American plans shortly to open a *de novo* office (within 6 months) near Paoli in Chester County, about 7 miles from Peoples' King of Prussia office. American's new office would be located in an area that is presently served by Peoples' King of Prussia office so that some direct competition would be expected to develop between the merging banks.

Pennsylvania law would permit American to branch *de novo* into rapidly expanding Montgomery County and into other counties contiguous to Berks County. American is already in the process of expanding into the area served by Peoples through the opening of a *de novo* branch office in Paoli, and it appears likely that, absent the proposed merger, it would continue this expansion into Montgomery County, and in particular into the Norristown area, either *de novo* or by acquisition of a smaller bank operating in this market. This is confirmed by the statements in its application in which American cited the difficulties it has experienced in competing in the county due to the absence of any office there. Similar expansion in this market by the large Philadelphia banks—a number of which already have branch offices in the area—can also be expected.

Consummation of American's proposed merger with the third largest bank operating in the Norristown area would mark the entry into this area of the largest bank in central Pennsylvania. Although this market is served by five much larger Philadelphia based banks, it is at the present time highly concentrated with three banks, including Peoples, holding between 55 percent and 65 percent of total IPC demand deposits. The proposed merger would eliminate American as a potential source of competition in this market. The probable effect of the merger on competition would therefore be adverse.

Basis for Corporation approval, July 17, 1968

American Bank and Trust Co. of Pa., Reading, Pennsylvania (Applicant), an insured State nonmember bank with total deposits of $329,017,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge The Peoples National Bank and Trust Company of Norristown, Norristown, Pennsylvania (Peoples) which has total deposits of $41,529,000. The banks would merge under the charter and title of the Applicant and, as incident to the merger, the ten offices of Peoples would become branches of Applicant, increasing the number of its offices to 30.

Competition. Applicant's main office is in Reading (population 98,200), the seat of Berks County. Its operates branches in four of the seven counties in which it may legally establish such offices. Eleven branches are in Reading and general vicinity, four are located in Schuylkill County, north of Berks County, and there are two each in Lebanon and Lancaster Counties which border Berks County on the west. Peoples main office and four of its branches are in Norristown and vicinity and one branch is operated at each of the following locations; Jeffersonville, King of Prussia, Pennsburg, Ambler and Collegeville. All of the offices operated by Peoples are located in Montgomery County.

Applicant's offices in the vicinity of Reading are 25 miles from Peoples office in Pennsburg which is the shortest distance between offices of the participating banks. The distance between Reading and Norristown is 38 miles. Applicant's trade area does not include Montgomery County and the areas served by the participating banks do not overlap. There are no common depositors or borrowers and the amount of deposit and loan business held by each of the participating banks which originates in the other bank's trade area is insignificant. The evidence indicates there is little, if any, competition existing between the merging banks.

While legally Applicant could establish de novo branches in Montgomery County, it is not clear that it could obtain regulatory approval for branching on a substantial scale therein. Even if it could, it appears that this would not result in significant competition between Applicant and Peoples but would heighten the competitive strain now faced by Peoples. Presently, Peoples is competing with a much larger Norristown based bank and branches of much larger Philadelphia based banks. The replacement of Peoples' offices by branches of the Applicant should tend to stimulate rather than lessen competition.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. Each of these factors is favorable with respect to the merging banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The well managed, progressive Applicant bank has established a good record of service to the community in providing financial and other support for industrial diversification and expansion. At the time of the 1960 census Norristown had a population of 38,925. The area is highly industrialized, is the county seat and provides employment for approximately 40,000 persons. Applicant's progressive management and substantial financial resources would bring improved, diversified banking and fiduciary services to the Norristown area which should be of benefit to present and potential customers and to the resurgent industrialization of the area.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 31	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Midland Bank and Trust Company Paramus, New Jersey	29,201	3	4
to merge with			
Englewood National Bank and Trust Company Englewood	16,095	1	

Summary report by Attorney General, May 7, 1968

Both Midland and Englewood Bank are located in Bergen County, New Jersey, near the metropolitan centers of New York, Jersey City, Newark, Paterson and Passaic. Paramus and Englewood are both mixed commercial, residential and industrial communities, with about 30,000 population, and are both currently experiencing rapid growth.

The closest office of Midland, either actual or proposed, is at least 11 miles from the office of Englewood Bank; moreover, numerous offices of much larger banks are located between Midland and Englewood Bank. Consequently, the merger would not appear to eliminate any significant amount of existing direct competition between the two banks.

Bergen County is served by 26 banks, operating a total of 105 offices, and each offering a full range of normal banking services. Midland has approximately 2 percent of county deposits; Englewood Bank has slightly less than 1 percent. While Bergen County overstates the market, Englewood Bank is the smallest of seven banks within a one to two-mile radius of downtown Englewood; Midland is fourth largest of the seven banks in the area it serves. Consequently, we do not think that this merger will have an adverse effect on banking concentration.

Basis for Corporation approval, July 17, 1968

The Midland Bank and Trust Company, Paramus, Bergen County, New Jersey (Midland), an insured State nonmember bank with total deposits of $26,634,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Englewood National Bank and Trust Company, Englewood, Bergen County, New Jersey (National) which has total deposits of $13,358,000. The banks would merge under the charter and title of Midland and, incident thereto, the sole office of National would become a branch of Midland, increasing the number of its offices to four.

Competition. Both banks are located in Bergen County in northeastern New Jersey, west of New York City across the Hudson River. Bergen County is one of the fastest growing counties in the State, ranking 19th in the nation in population. It is primarily suburban residential in character although it is expanding both industrially and commercially. Approximately 65,000 of its residents commute to New York City for employment, while an equal number commute to adjacent counties, and 119,000 are employed within the county.

Paramus, location of Midland's three offices, is in western Bergen County and Englewood, location of National's sole office, is in eastern Bergen County. There is no overlapping of the service areas, there being about 3 miles separating their nearest boundaries. New Jersey law does not permit de novo branching outside the municipality in which the main office is located (except in municipalities which have no banking offices); hence, neither Midland nor National can enter the other's market except through merger. In view of this restriction and the fact the two banks have separate and noncontiguous service areas, elimination of existing or potential competition is not a factor in the proposal.

Midland competes with seven commercial banks in its service area, among which it is fourth largest. It is substantially smaller than the three largest banks but not substantially larger than the three smallest. National competes with five commercial banks in its service area, among which it is smallest. The number of banking offices would not be changed in either service area as a result of the merger, nor would the number of individual choices from which the public could obtain banking services.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. Both Midland and National have rather short histories, Midland having commenced operations about 10 years ago and National slightly more than 3 years ago. Their growth and success in a relatively short period of time is evidence that they are serving the convenience and needs of the communities in which they are located. The merger would not alter this situation, except to the extent that the resulting bank would be able to provide a broader range of banking services on a larger scale through its greater resources, larger capital base, and integrated management capabilities. The larger bank will have more efficient trust department facilities and its increased lending limit will be beneficial, especially with respect to the large commercial and industrial facilities in the two areas which require credit accommodations larger than either bank can provide individually.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 32	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Chelsea Savings Bank Norwich, Connecticut (change title to The Chelsea-Dime Savings Bank)	51,252	1	2
to consolidate with			
The Dime Savings Bank of Norwich Norwich	22,563	1	

Summmary report by Attorney General, March 20, 1968

This is a proposal to merge the second and third largest mutual savings banks operating in the Norwich area. Economic activity in Norwich and surrounding communities (the "Norwich area," defined as including Norwich and the towns of Bozrah, Franklin, Griswold, Ledyard, Lisbon, Montville, Preston and Sprague, with a population of 86,000, up 21 percent from 1960) appears to be centered upon residential, commercial and industrial activity, with agriculture occupying a secondary role.

The offices of the merging banks are within walking distance of each other, and are in direct competition for time deposits and residential mortgage loans. The Norwich area is, in addition, served by two other mutual savings banks. These are the Norwich Savings Society, the area's largest (total deposits, $64.7 million) operating its main office in Norwich and two branch offices nearby and Jewett City Savings Bank (total deposits, $11.2 million) located some 8.3 miles northeast of Norwich. There are also in the area one locally based commercial bank and seven branches of two Hartford-based commercial banks, five credit unions and one savings and loan association.

Within the Norwich area, the parties to the proposed merger would appear to have had the following market shares as of June 30, 1966:

(i) Savings bank deposits

Chelsea Savings	32.9%	(31.9% as of Dec. 31, 1967)
Dime Savings	14.8%	(14.2% as of Dec. 31, 1967)

(ii) Savings bank deposits plus withdrawable deposit balances of savings and loan associations and credit unions

Chelsea Savings	29.9%	(approximate)
Dime Savings	13.4%	(approximate)

(iii) Savings bank deposits plus withdrawable deposit balances of savings and loan associations and credit unions, plus IPC time and savings deposits of commercial banks

Chelsea Savings	28.3%	(approximate)
Dime Savings	12.7%	(approximate)

The proposed consolidation would eliminate direct competition between the participants, create the largest mutual savings bank and other thrift institution in the Norwich area, significantly increase area savings deposit concentration, and eliminate a substantial competitor for area time and savings deposits and residential loans. Thus, the effect of this merger on competition in the Norwich area would be significantly adverse.

Basis for Corporation approval, July 31, 1968

The Chelsea Savings Bank, Norwich, Connecticut, (Applicant), an insured mutual savings bank with total deposits of about $44.6 million, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act for the Corporation's prior consent to consolidate with The Dime Savings Bank of Norwich, Norwich, Connecticut (Dime Savings), which has total deposits of about $20.3 million. The banks would consolidate with the title The Chelsea-Dime Savings Bank, and as an incident thereof, the sole office of Dime Savings would become a branch of Applicant, increasing the number of its offices to two.

Competition. The Applicant and Dime Savings are mutual thrift institutions located in Norwich, Connecticut. While each of the banks obtains a sizeable amount of its deposits from the area commonly designated as "Greater Norwich" consisting of the City of Norwich and the surrounding communities of Bozrah, Franklin, Griswold, Ledyard, Lisbon, Montville, Preston and

Sprague, Norwich is only 12 miles from New London-Groton, Connecticut, over an excellent highway, is economically integrated with those cities, and comprises part of the New London-Groton-Norwich Standard Metropolitan Statistical Area (SMSA). A large number of Norwich residents commute to work in New London-Groton. For these reasons, it appears to the Board that the SMSA is the relevant geographic area. There are seven savings banks, three savings and loan associations and five commercial banks operating offices in this area. Two of the savings banks are larger than either of the consolidating banks or of the resulting bank, and two of the commercial banks are the largest in the State operating an extensive network of branches.

The lending function of each of the consolidating banks is concentrated in mortgage loans, a substantial portion of which are insured and guaranteed, originating outside the SMSA. The market for these loans is extensive and it does not appear that the consolidation would have a significantly adverse effect on competition for loans.

Consummation of the proposal would eliminate the competition for time and savings deposits between the consolidating banks, but this would not be substantial. The resulting bank would hold only one-fifth of the time and savings deposits held by the offices of all competitive institutions in the SMSA. The degree of concentration is not unduly heavy and there will remain a substantial number of sizeable, strong and aggressive competitors. The resulting bank would enjoy an improved competitive potential.

The Board of Directors is of the opinion that the proposed transaction will not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The financial and managerial resources of the consolidating banks and those of the resulting bank are satisfactory with respect to the solvency of continued operations. The deposit growth pattern for each of the consolidating banks in recent years as compared with the growth of its competitors suggests that they will not be the competitive factors in the future that they have been in the past. To a considerable extent, this reflects the lower than competitive interest/dividend rate paid by each of the consolidating banks and correction of this deficiency has been indicated as one of the primary reasons for the proposal. The resulting bank could effect operating economies and better utilize resources, both financial and managerial, with improved prospects for effective competition and sound operations.

Convenience and Needs of the Community to be Served. The resulting bank could pay a higher, more competitive dividend than Dime Savings with continued adherence to sound banking operations. Its depositors would have the benefit of the larger, stronger institution which would be better able to provide long term financing for the industrial and commercial needs of the area than either of the consolidating banks. Among the immediate benefits that would be available to the resulting bank would be the utilization of an on-line computer system and the development of an instalment loan department.

Consideration has been given to the situation that would exist, after the consolidation in Norwich, Connecticut, as compared to other communities in Connecticut. Norwich has a population of 38,500 and there are 17 towns in Connecticut with a population of between 30,000 and 80,000. Norwich is the only community with three savings banks and there are only three towns that have as many as two savings banks. Eight towns are served only by branches of savings banks. Thus, elimination of a savings bank in Norwich is not as significant, relatively, as it might be in other larger communities since Norwich will still have the services of two capable savings banks, more than most communities in the State of comparable or larger size.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 33	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Trade Bank and Trust Company New York, New York	264,710	6	6
to merge with			
Trade Bank Safe Deposit Company New York	161	—	

Summary report by Attorney General, July 1, 1968

Trade Bank and Trust Company ("Trust Company") was organized in 1922 and operates six commercial banking offices in New York City, five in Manhattan and one in Great Neck.

Trade Bank Safe Deposit Company ("Safe Deposit") was organized in 1927 and has always been controlled by Trust Company, which holds 95 percent of its stock. It holds no deposits or loans and is primarily engaged in operating a safe deposit business at the banking premises occupied by Trust Company. Thus, this transaction is essentially a corporate reorganization and it would appear not to have any effect on competition.

Basis for Corporation approval, August 1, 1968

Trade Bank and Trust Company, New York, New York (Trade Bank), with total deposits of $245 million, has applied, pursuant to the provisions of Section 18(c) (1) (A) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge under its charter with Trade Bank Safe Deposit Company, New York, New York (Safe Deposit), an affiliated noninsured institution with no deposit liabilities which conducts a safe deposit business at each of the six offices of Trade Bank. The safe deposit facilities will be continued by Trade Bank following the merger.

Competition. Trade Bank was organized in 1922 and operates all but one of its six offices in Manhattan. Safe Deposit was organized in 1927 as an affiliate of Trade Bank for sole purpose of conducting the latter's safe deposit operations. Safe Deposit has always been controlled by Trade Bank, holds no deposits or loans, and is not engaged in general commercial banking activities. Trade Bank owns all but six of Safe Deposit's 1,000 outstanding shares of capital stock; thus, the merger is essentially a corporate reorganization and would have no effect on competition as presently constituted.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to the merging institutions except that Safe Deposit has operated at a loss after taxes in each of the past five years, except 1964. The merger is designed to effect operating economies; also, simplify administration. Consequently, these factors are favorably resolved with respect to the resulting bank.

Convenience and Needs of the Community to be Served. The operations of Safe Deposit will be continued at the same locations and in the same manner as before and thus the convenience and needs of the public will be served as in the past.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 34	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Winslow State Bank of New Ulm New Ulm, Minnesota (proposed new bank; change title to State Bank of New Ulm)	90	—	1
to consolidate with			
State Bank of New Ulm New Ulm	11,662	1	

Summary report by Attorney General, May 24, 1968

Winslow State Bank was incorporated on March 19, 1968 as a vehicle to effectuate a tax free exchange of the capital stock of State Bank of New Ulm for the capital stock of State Bond & Mortgage Company. Consequently no impact upon competition in commercial banking would result from consummation of the proposed consolidation.

Basis for Corporation approval, August 1, 1968

Pursuant to Sections 18(c) and 5 of the Federal Deposit Insurance Act, applications have been filed by State Bank of New Ulm, New Ulm, Minnesota (State Bank), an operating insured nonmember bank, which has total deposits of $10,881,000, for consent to consolidate with a proposed new bank, Winslow State Bank of New Ulm, New Ulm, Minnesota (New Bank) and in behalf of New Bank for Federal deposit insurance. The banks would consolidate under New Bank's charter and with the title "State Bank of New Ulm." The resulting bank will operate from the sole office location of State Bank.

New Bank was incorporated for the sole purpose of providing a vehicle for tax free exchange of stock of State Bank for stock of State Bond and Mortgage Company which owns substantially all of New Bank's outstanding stock. New Bank does not have a banking office and the resulting bank will operate from State Bank's sole office in New Ulm. That community has a population of 11,000 and two other banks, each comparable in deposit size to State Bank. The proposed consolidation would have no effect on competition.

The proposals involve a change in ownership but the resulting bank will, in effect, continue the operations of State Bank, which have been satisfactory, with the latter's assets, deposits, title and essentially the same management. The only operating change will be a $90,000 increase in capital. All factors required to be considered relative to each application are favorably resolved.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the applications for Federal deposit insurance and consent to consolidate is warranted.

No. 35	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
American Bank of Atlanta Atlanta, Georgia (change title to Peoples American Bank of Atlanta)	13,473	3	5
to acquire the assets and assume the deposit liabilities of			
The Peoples Bank Atlanta	17,103	2	

Summary report by Attorney General, June 24, 1968

The head offices of the merging banks are located only a few blocks apart in downtown Atlanta, one of the fastest growing regions in the Southeast, and their branches are located in, and serve, the northern portion of the city. As a result, existing direct competition between the merging banks will be eliminated by consummation of the proposed transaction.

Eleven commercial banks with seventy-five offices operate in Atlanta. American Bank and Peoples Bank are the ninth and tenth largest banks, respectively, in terms of IPC demand deposits and the eleventh and tenth largest, respectively, in terms of total deposits.

Located in the Atlanta financial district, within five blocks of the merging banks, are offices of four of the State's largest banks, which, in 1966, together controlled about $2.0 billion, roughly 84 percent of total commercial bank deposits in the Atlanta SMSA. In contrast, the merging banks jointly account for only about one percent total deposits in the Atlanta SMSA, and only slightly over one percent of Fulton County total deposits.

Basis for approval by Corporation, August 8, 1968

American Bank of Atlanta, Atlanta, Georgia (Applicant), an insured State nonmember bank with total deposits of $10.6 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to acquire the assets of and assume liability to pay deposits made in The Peoples Bank, Atlanta, Georgia (Peoples) which has total deposits of $15.7 million. The transaction would be effected under Applicant's charter and with the title "Peoples American Bank of Atlanta" and, as an incident thereto, the two offices of Peoples would become branches of the resulting bank increasing the number of its offices to five.

Competition. The participating banks are headquartered in Atlanta, population 504,000, and serve essentially the same geographic area. Their main offices are 6 blocks apart in the downtown section of the city and their branches are located from 3 to 6 miles north. Applicant and Peoples serve different market segments of the same geographic service area as evidenced by the dissimilarity in their loan and deposit structures. The nature of their operations is complementary to a large degree and there is little competition between them.

There are 12 banks with 95 offices in or near the City of Atlanta and the participating banks rank 10th and 11th in terms of total deposit size. The resulting $26 million deposit bank would be sixth largest in the service area and have 1.2 percent of the deposits. The five largest banks have total deposits ranging between $100 million and $990 million and hold 95.8 percent of the deposits. The proposal would have no significant effect on the smaller banks in the area and the resulting bank could, in some degree, compete more effectively with the larger banks.

The Board of Directors is of the opinion that the effect of the proposed transaction on competition would not be substantially to lessen competition, tend to create a monopoly, nor would it in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to Peoples and are so projected for the resulting bank. Applicant's less than satisfactory financial condition, its management and its poor earnings record should be improved as a result of this proposal.

Convenience and Needs of the Community to be Served. The significant increase in the financial resources of the resulting bank relative to either participating bank and the aggressive new ownership should permit the bank to more adequately and effectively serve the community. Moreover, because their operations are complementary to a large degree, the proposal would result in enhanced convenience to the customers of both banks.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 36	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Ohio State Bank Columbus, Ohio	43,233	10	13
to merge with **The Worthington Savings Bank** Worthington	33,943	3	

Summary report by Attorney General, June 11, 1968

The head offices of the merging banks, 10 miles apart, and all branches of both banks, are in Franklin County, part of the rapidly growing Columbus metropolitan area. The merging banks' nearest offices are about 5 and 4 miles apart.

Ohio State Bank, since its inception and Worthington Savings Bank, since 1953, have been virtually wholly owned subsidiaries of BancOhio Corporation, the largest bank holding company in the State of Ohio. Thus, despite the fact that each bank derives some business from the primary service area of the other, this proposed merger would not eliminate competition between the two banks.

Basis for Corporation approval, August 19, 1968

The Ohio State Bank, Columbus, Ohio (Applicant), an insured State nonmember bank with total deposits of $39.4 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with The Worthington Savings Bank, Worthington, Ohio (Savings Bank) which has total deposits of $30.2 million. The banks would merge under the Applicant's charter and title and, as an incident thereto, Savings Bank's three offices would become branches of the Applicant, increasing the number of its offices to thirteen. In connection with the proposal Savings Bank's preferred stock outstanding of $75,000 will be retired.

Competition. Applicant's main office is in the downtown business section of Columbus, population 573,000, the approximate center of Franklin County, and eight of its nine branches are located in the eastern half of the county. One branch serves the west-central section of the county. The main office of Savings Bank is 10 miles north of the downtown section of Columbus in the adjacent community of Worthington, population 12,900. One of Savings Bank's branches is in Columbus, 2 miles south from the main office and the other is west of the main office in the northwest corner of the county. Applicant, since its organization in 1950 and Savings Bank, since 1953, have been members of the same registered bank holding company, BancOhio Corporation, and there is no competition between them.

There are seven banks in the resulting service area which would include most of Franklin County. The merger would combine two banks with small shares of the banking business already under the control of the same holding company. The resulting bank would have but 5.3 percent of the aggregate IPC deposits. The holding company also controls The Ohio National Bank of Columbus which has 42.9 percent, and 20 other subsidiaries which are located outside Franklin County. The proposal would involve no change in control of the banking business in the service area or in Franklin County and would not adversely affect competition.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly, nor would it, in any other manner, be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to the merging banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The increased legal lending limit and lending capacity of the resulting bank will enable it to serve many enterprises which the merging banks have not had the opportunity to serve in the past. The increased branch system of the resulting bank will be an important factor relative to the convenience and needs of the area. The majority of residents in Savings Bank's area are employed in Columbus, and the availability of a downtown office would be a significant convenience for those customers of Savings Bank who commute to Columbus for employment.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 37	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Citizens Bank Hamilton, Ohio	26,675	6	7
to acquire the assets and assume the deposit liabilities of			
The First National Bank of Okeana Okeana	1,590	1	

Summary report by Attorney General, July 5, 1968

Butler County, the situs of the merging banks, had a 1960 population of 200,000. It is presently served by eight commercial banks with 26 offices.

Since the merging banks are located within 12 miles of each other the merger would probably eliminate some direct competition between the two banks. However, the merger would increase Citizens Bank's 13 percent share of Butler County commercial bank deposits by only 0.6 percent.

In view of the small size of the acquired bank and the existence of alternate sources of banking services, we conclude that this proposed merger is not likely to have a significantly adverse effect on competition in Butler County.

Basis for Corporation approval, August 19, 1968

The Citizens Bank, Hamilton, Ohio (Citizens Bank), an insured nonmember bank with total deposits of $23,578,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to acquire the assets and assume liability to pay the deposits made in The First National Bank of Okeana, Okeana, Ohio (FNB), which has total deposits of $1,389,000. The transaction would be effected under Citizens Bank's charter and title and, as an incident to the proposed transaction, the sole office of FNB would become a branch of Citizens Bank, increasing the number of its offices to seven.

Competition. Citizens Bank is located in Hamilton, Ohio (population 80,000), approximately 15 miles from the sole office of FNB in Okeana, Ohio (population 150). Little, if any, competition exists between these two banks. FNB does not adequately service its community in that it fails to extend farm credit or automobile financing and is unwilling to arrange loan participations. Due to its unfavorable outlook, the directors solicited bids for its stock earlier this year from three Hamilton banks and others. Citizens Bank was the successful bidder and now owns substantially all of FNB's stock.

Banking competition within Citizens Bank's trade area includes a significantly larger institution, and one just slightly larger than Citizens Bank. These other two banks provide keen competition in Citizens Bank's trade area and together hold about 77 percent of the deposit business whereas the resulting bank would hold about 22.7 percent.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. Although financially sound, lack of management succession and future prospects of small FNB are not favorable as a unit bank. These factors are satisfactory with respect to Citizens Bank, as they would be for the resulting bank.

Convenience and Needs of the Community to be Served. Although this proposal will have no significant effect upon the immediate Hamilton trade area of Citizens Bank, the Okeana area will undoubtedly benefit from a more aggressively managed bank, willing to provide more up-to-date services and lending ideas, and capable of better serving the community with a larger lending limit.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 38	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Bank of Berkeley Moncks Corner, South Carolina	4,113	1	2
to merge with			
Allen's Depository, Inc. St. Stephen	329	1	

Summary report by Attorney General, February 13, 1968

The Bank of Berkeley (total deposits $3.4 million), Moncks Corner, South Carolina, proposes to merge with Allen's Depository (total deposits $298,000), St. Stephen, South Carolina.

Both towns are in Berkeley County (1960 population 38,196), an area which is principally agricultural but which has experienced considerable industrial expansion during recent years. In Moncks Corner, Berkeley competes with a branch of Farmers & Mechanics Bank of South Carolina, a $4 million bank. No other commercial banking facilities are available in the immediate service areas of the merging banks.

Allen's has no loan business or savings accounts and less than 15 accounts of Berkeley's are known to originate in the St. Stephen area, 16 miles away.

The merger will substantially increase concentration in Berkeley County which presently has three banks and three offices. Berkeley, the acquiring bank, now holds 86 percent of all IPC demand deposits within the county, and will hold about 97 percent following this proposed merger. Its share of total county deposits will rise from 85 to 93 percent. The balance will continue to be held by the small branch office of Farmers & Mechanics Bank of South Carolina.

Basis for Corporation approval, August 19, 1968

The Bank of Berkeley, Moncks Corner, South Carolina (Applicant), a nonmember insured bank with total deposits of $4.1 million, has applied, pursuant to the provisions of Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge under its charter and title with Allen's Depository, Inc., St. Stephen, South Carolina, a noninsured cash depository with deposits of $305,000, and incidental therewith establish the latter's sole office as a branch, increasing its number of offices to two.

Competition. Applicant was organized in 1949 and operates its sole office in Moncks Corner, the seat of Berkeley County, South Carolina, about 32 miles north of Charleston. Allen's Depository was organized in 1935 in St. Stephen, Berkeley County, South Carolina, 16 miles north of Moncks Corner. It is a small cash depository which is limited under South Carolina law in the services it can perform. Its deposits are payable on demand and its investments are restricted to Federal, State and municipal obligations of South Carolina. It has no time and savings deposits and makes no loans. It is not, therefore, a significant factor in banking competition. Allen's Depository and Applicant, moreover, have the same president. A sizeable amount of common ownership has existed since 1960. Berkeley County is mostly a rural area which contains only two institutions offering full banking services, Applicant and a branch in Moncks Corner of another bank which is somewhat larger than Applicant. Applicant also competes with the Summerville branches of two banks, 16 miles southwest of Moncks Corner, both of which banks are substantially larger than Applicant. In the St. Stephen area, location of Allen's Depository, the resulting bank will compete with a bank in Greeleyville, 15 miles north of St. Stephen. The merger will have little or no adverse competitive effect and in the St. Stephen area should tend to increase competition because of the much broader services the resulting bank will offer.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating institutions and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. Applicant's operations in Moncks Corner will be continued as before. In St. Stephen, the merger will replace a small noninsured cash depository, which is limited by law in the services it can provide, with a branch of a bank providing loan facilities, time and savings deposits, the benefits of Federal deposit insurance, and clearance of checks at par. The number of offices offering this broader range of banking services in Berkeley County will be increased by one, to the substantial benefit of the public, particularly in the St. Stephen area.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 39	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Citizens Bank of Maryland Riverdale, Maryland (change title to Citizens Bank and Trust Company of Maryland)	191,540	28	28
to merge with **Citizens Trust Company of Maryland** Riverdale	120	—	

Summary report of Attorney General, July 25, 1968

Article XI of the Annotated Laws of Maryland, and regulations issued pursuant thereto, provide that an existing commercial bank may acquire trust powers only by merging with a newly organized trust company. Citizens Bank of Maryland has organized and proposes to merge with the Citizens Trust Company of Maryland for the purpose of acquiring trust powers.

The proposed merger of the Citizens Trust Company of Maryland, a newly organized but not yet operating trust company, into the Citizens Bank of Maryland, an existing commercial bank, will not result in the elimination of any existing competition or increase in the concentration of banking resources.

Basis for Corporation approval, August 23, 1968

Citizens Bank of Maryland, Riverdale, Maryland (Applicant), an insured State nonmember bank with total deposits of $167 million, has applied, pursuant to Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Citizens Trust Company of Maryland, Riverdale, Maryland (Trust Company), a corporation newly organized under the banking laws of Maryland, which has cash capital funds of $120,000. Application is also made for consent to exercise full trust powers. The participants would merge under the charter of Applicant and with the title "Citizens Bank and Trust Company of Maryland."

The sole purpose of the merger transaction is the acquisition of trust powers by the Applicant. Under Maryland banking laws and regulations, Applicant's purpose can only be accomplished through the merger of a newly formed trust company. Applicant is the seventh largest bank in the State and is the only bank among the nine largest which does not have trust powers. Several banks aggressively seek trust business in Applicant's service area and the proposal should beneficially enhance competition in that field. Trust Company has no loans, deposits or trust accounts and was formed solely as a vehicle for the acquisition of trust powers by the Applicant. Thus, consummation of the transaction would not lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

The factors of financial and managerial resources and future prospects are favorable for the Applicant and resulting bank. Applicant's 28 offices serve substantial parts of Prince Georges, Montgomery and Anne Arundel Counties and the proposal would add to the convenience of the communities served by the introduction of an additional alternate source of trust services.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's applications is warranted.

No. 40	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Bank of Tucson Tucson, Arizona (change title to Great Western Bank & Trust Company)	26,545	3	8
to merge with			
The First Navajo National Bank Holbrook	27,255	5	

Summary report by Attorney General, May 31, 1968

The nearest offices of the applicant banks are about 250 miles apart, and there appears to be little, if any, direct competition between them.

Although Arizona law permits statewide branch banking, neither of the merging banks can be regarded as a likely potential entrant into the other's market by means of *de novo* branching. Navajo Bank is the only bank located in Snowflake (population 982) and Window Rock (population 700). In Holbrook (population 3438) and Winslow (population 8862), Navajo National competes with a branch of the Valley National Bank (total deposits, $1,134.1 million), the largest bank in Arizona; in Kingman (population 4525) it competes with a branch of Valley National and a branch of First National Bank of Arizona (total deposits, $647.9 million), the second largest bank in the State. Not only has the Bank of Tucson not branched outside the City of Tucson, but considering their sizes, distances, present banking facilities, there appears to be little, if any, incentive for it to branch *de novo* into the communities served by Navajo Bank.

Although Navajo Bank has exhibited an ability to branch *de novo* considerable distances from its head office, its branching has been confined to relatively small communities. It was granted authority in 1965 to open a branch in Flagstaff (approximate population 18,214), but has not yet opened for business in that city. Thus, it seems unlikely that Navajo Bank would branch *de novo* into Tucson, a much larger and more distant community served by six banks with 24 offices.

Basis for Corporation approval, August 30, 1968

The Bank of Tucson, Tucson, Arizona (State Bank), an insured State nonmember bank with total deposits of $23,050,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge The First Navajo National Bank, Holbrook, Arizona (Navajo Bank), which has total deposits of $26,131,000. The banks would merge under the charter of The Bank of Tucson and title of Great Western Bank & Trust Company and, as an incident to the merger, the five offices of Navajo Bank would become branches of State Bank, increasing the number of its offices to eight.

Competition. The areas served by these two banks are at least 200 miles apart. State Bank serves the southeastern part of Arizona in and around Tucson. Navajo Bank's trade area is the northern part of the State, and there is virtually no competition between the participating banks. Both banks are in direct competition with branch offices of the largest banks in Arizona. The resulting bank will hold only 2 percent and 1.7 percent of deposits and loans, respectively, of banks in the State of Arizona.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The present financial and managerial resources of State Bank are satisfactory, as they would be for the resulting bank. Navajo Bank is experiencing asset problems and lacks depth in management. Future prospects for State Bank are satisfactory, as they would be for the resulting bank; those of Navajo Bank are less favorable.

Convenience and Needs of the Community to be Served. The primary benefit of this merger would be a larger loaning limit which would enable the resulting bank to serve larger borrowers and handle bigger loans than could either bank prior to the merger. There would also be an increase in services rendered to both areas, including trust and computer facilities.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 41	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of Orangeburg (title changed to American Bank and Trust) Orangeburg, South Carolina	21,097	9	10
to merge with			
The Springfield State Bank Springfield	1,456	1	

Summary report by Attorney General, July 19, 1968

Orangeburg County had a 1960 population of 68,000; it was being served by seven commercial banks with 17 offices (as of June 30, 1966).

Two branches of the Bank of Orangeburg are located fairly close to Springfield, the situs of Springfield State Bank. One is in Salley, 5 miles to the northwest and the other is in Norway, 8 miles to the southwest of Springfield. These three banks provide the only alternative banking facilities for the Springfield community. In view of the geographic proximity of the banks, it would appear that the proposed merger would eliminate direct competition between the banks.

The Bank of Orangeburg presently accounts for over 20 percent of Orangeburg County's IPC demand deposits and is one of the three largest banks in the county. The proposed merger would add about 2 percent to its market share.

While Springfield State Bank's small size may have limited its operations, it appears to have experienced satisfactory growth during recent years. Moreover, the application does not indicate that merger with its only competitor is required to enable it to offer additional services or to solve any problems which may result from its small size.

Basis for Corporation approval, September 4, 1968

Bank of Orangeburg, Orangeburg, South Carolina (Applicant), an insured State nonmember bank with total deposits of about $18,852,000 has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with The Springfield State Bank, Springfield, South Carolina (State Bank), which has total deposits of about $1,282,000. The banks would merge under the charter and with the title of Applicant and as an incident to the merger, the sole office of State Bank would become a branch of Applicant, increasing the number of its offices to 10.

Competition. Applicant operates its main office and two branches in Orangeburg (1960 population about 15,500), the seat of Orangeburg County. Six other branches are presently operated in small communities surrounding Orangeburg and ranging in distance up to 60 miles therefrom. State Bank operates its sole office in Springfield (population 800), 25 miles west of the main office of Applicant. There are, however, branches of Applicant at Salley, 5 miles northwest of State Bank, and at Norway, 10 miles southeast of State Bank.

Applicant's office at Salley is State Bank's closest competitor but there are seven offices of five banks (including Applicant) within the relatively small area served by State Bank. State Bank has 11.8 percent of the deposits in this area and the resulting bank would have 32.3 percent. However, in view of the number of banks in State Bank's service area and the small size and unaggressive character of State Bank, competition between the merging banks is not substantial and the proposal would have no other significant adverse competitive effects in this area. Within the overall service area of Applicant, this proposal would have virtually no effect. There are 10 other banks operating numerous offices throughout the area, including the State's four largest banks.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These banking factors are satisfactory with respect to the participating banks, individually, as they would be with respect to the resulting bank.

Convenience and Needs of the Community to be Served. Past performance suggests that Applicant is a well-established bank able to expand the services it offers and to extend them into new areas. Although State Bank, by its long continued existence is apparently filling a need of the community, Springfield would be benefited by the introduction of new services, including increased lending limits, trust services, and exchange of checks on a full par basis.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 42	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Hongkong and Shanghai Banking Corporation of California San Francisco, California	92,305	3	4
to acquire a portion of the assets and assume a portion of the deposit liabilities of			
Bank of Trade of San Francisco San Francisco	1,999[4]	1	

Summary report by Attorney General, July 30, 1968

This is a proposal to transfer the Sacramento branch of the Bank of Trade to Hongkong and Shanghai Banking Corporation ("Hongkong").

The area directly affected by the proposed transaction is Sacramento, where the office being transferred is located. This is 75 miles from Hongkong's closest office. Hongkong has loans totaling $712,000 which originate in the Sacramento area, largely against real property; thus, there may be some direct competition between Hongkong and the Sacramento branch of Bank of Trade, but it appears to be limited. In view of the fact that each of the merging offices is a relatively minor element in its own service area, we conclude that the transaction would probably not have any serious adverse effect on competition.

Basis for Corporation approval, September 4, 1968

The Hongkong and Shanghai Banking Corporation of California, San Francisco, California (H&S), an insured nonmember bank with total deposits of $80,019,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to acquire certain assets and assume liability to pay the deposits made in the State Capital Branch, Sacramento, California (BOT-SCB), of the Bank of Trade of San Francisco, San Francisco, California (BOT). The branch has total deposits of $1,172,000. The transaction would be effected under H&S's charter and title and, as an incident thereto, the one office of BOT-SCB would become a branch of H&S, increasing the number of its offices to four.

Competition. H&S's main office and one branch in San Francisco (population 750,000) are approximately 85 miles from Sacramento (population 191,700) where BOT's Sacramento branch is located. This distance and the direct competition existing with branches of the largest banks in the State precludes any significant competition between H&S and BOT-SCB. BOT-SCB presently holds only .2 percent and .5 percent of deposits and loans, respectively, held by banks in its service area. This proposal will have no material effect on banking concentration in the Sacramento area or elsewhere in the State.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to H&S as they are expected to be for the resulting bank. With the elimination of this location by BOT, future prospects are favorable for BOT to concentrate its management efforts at its remaining office.

Convenience and Needs of the Community to be Served. Evidence indicates the proposal will have no effect outside the Sacramento service area. This service area would benefit from the banking services already rendered by H&S in its present service areas, i.e. international banking ties, accounts receivable financing, real estate construction financing, working capital loans, and increased legal lending limits which are not presently provided the area by BOT-SCB.

Based on the foregoing and on the other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 43	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of Mississippi Tupelo, Mississippi	48,051	11	12
to merge with **Bank of Bruce** Bruce	5,239	1	

Summary report by Attorney General, May 17, 1968

Bank of Mississippi operates six branch offices within a 30-mile radius of Tupelo, one in Lee County and five in three contiguous counties, and has been granted authority to open two additional branch offices in Tupelo. In 1966 Bank of Mississippi merged with Prentiss County Home Bank, Boonesville, Mississippi (approximate deposits at the time of merger, $4.5 million).

Bank of Bruce is located 50 miles southwest of Bank of Mississippi's head office and approximately 40 miles southwest of its two closest branch offices at Ecru and Nettleton. There are intervening banks between these branches at Ecru and Nettleton and Bank of Bruce. The amount of direct competition between these two merging banks appears negligible.

The laws of Mississippi provide that no bank shall establish a branch bank in any town or city of less than 3,100 population where such town or city has one or more banks in operation, and thus Bank of Mississippi could not establish a branch bank in Bruce. The largest town in Calhoun County without a bank is Pittsboro, the county seat which had a population of 205 in 1960. Furthermore, there are now two other banking offices in rural Calhoun County (having total county IPC deposits of only $9.3 million), a branch of Grenada Bank (third largest bank in Mississippi, with deposits of over $70 million), at Calhoun City (population 1,700), approximately 10 miles south of Bruce and a branch of Bank of Houston (total deposits, $5.3 million) at Vardaman (population 637), about 10 miles southeast of Bruce. Thus, the opening of a *de novo* branch bank in Calhoun County by Bank of Mississippi appears remote.

Given the size of the market and the existing competition in Calhoun County, this proposed merger seems unlikely to have an adverse effect on competition.

Basis for Corporation approval, September 13, 1968

Bank of Mississippi, Tupelo, Mississippi (BOM), an insured nonmember bank with total deposits of $42,898,800, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Bank of Bruce, Bruce, Mississippi (Bruce Bank), which has total deposits of $4,765,300. The transaction would be effected under BOM's charter and title and, as an incident to the proposed transaction, the single office of Bruce Bank would become a branch of BOM, increasing the number of its offices to 12.

Competition. The main office of BOM is 50 miles from Bruce Bank and the nearest branch of BOM is 39 miles distant. There is virtually no competition between these two banks due to distance and other banking offices in the intervening area. The primary service area of BOM is in and around Tupelo, where two other aggressive large banks are located, and the surrounding areas of towns in which BOM has branch offices. Bruce Bank's service area is more localized, confined primarily to the immediate area of Bruce. Bruce Bank's nearest competition is 10 miles distant and furnished by a branch of the third largest bank in the State. BOM presently holds 36.5 percent and 41.7 percent of IPC deposits and loans, respectively, held by banks in its service area. The resulting bank would hold 31.5 percent and 37.0 percent of IPC deposits and loans, respectively, held by banks in the combined service area. This proposal would not alter BOM's position as the largest bank in the area it presently serves.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks, as they would be for the resulting bank.

Convenience and Needs of the Community to be Served. This proposal would have its primary effect in the service area of Bruce Bank. The resulting bank would be able to handle larger loans than can Bruce Bank and provide trust services and data processing services which are not presently available from Bruce Bank.

Based on the foregoing and on other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 44	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Hambro American Bank and Trust Co. New York, New York (proposed new bank)			1
to acquire a portion of the assets and assume the deposit liabilities of			
Laidlaw and Co. New York	33,109	1	

Summary report by Attorney General, July 10, 1968

This proposal would transfer to Hambro American, a new banking corporation which will be a subsidiary of Hambros Bank, Ltd., London, England, the commercial banking assets and liabilities of Laidlaw and Company, a stock brokerage firm which engages in private commercial banking activities.

Laidlaw's single banking office, which under the proposal would be taken over by Hambro American, is located near the center of Manhattan's financial district. Commercial banks operating offices in the area are among the largest in the world, and Hambro American, like its predecessor, will compete directly with the wholesale and internation banking departments of these large banks.

Since the proposed transaction would transfer Laidlaw's banking business to a former limited partner of the firm which has no other banking offices in the

United States, we conclude that it would not have any adverse competitive effects.

Basis for Corporation approval, September 19, 1968

Pursuant to Sections 5 and 18(c) and other provisions of the Federal Deposit Insurance Act, applications have been filed in behalf of Hambro American Bank & Trust Co., New York (Manhattan), New York (Applicant), a proposed new bank, for Federal deposit insurance, including consent to exercise full trust powers, and for the Corporation's prior consent for the Applicant to acquire the assets of and assume liability to pay deposits made in Laidlaw & Co., an operating uninsured private bank located at 25 Broad Street, New York (Manhattan), New York. The new bank will occupy under a sublease, the quarters presently used by the sole office of the Laidlaw & Co. Banking Department (Laidlaw) which has deposits of $20,640,000.

Competition. The proposal essentially represents the conversion of an operating noninsured private bank into an insured commercial bank with the right to exercise trust powers. Applicant will continue the present policies and operations of Laidlaw which are devoted primarily to wholesale banking with heavy emphasis on international banking. There will be no change in the number and location of banking offices. The proposal would not eliminate any existing competitor.

The Board of Directors is of the opinion that the proposed purchase and assumption transaction would not lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory for the operating private bank and are so projected for the Applicant.

Convenience and Needs of the Community to be Served. The Applicant will occupy the location of Laidlaw in the heart of the principal financial district of New York. This area's needs will be better served through the availability of more extensive and sophisticated range of services, including an alternative source of trust services, and the benefits of Federal deposit insurance.

Based upon the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the applications for Federal deposit insurance, including consent to exercise full trust powers, and consent to the acquisition of assets and assumption of liabilities is warranted.

No. 45	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of America National Trust and Savings Association San Francisco, California	17,806,731	—(1)	—
to acquire the assets and assume the deposit liabilities of			
Banco Nacional, S.A. Santiago, Dominican Republic	1,262	2	

Summary report by Attorney General, August 22, 1968

The proposed transaction would permit Bank of America, the largest bank in the United States, to expand its international banking operations to the

Dominican Republic. Santiago (population, 84,000), the commercial and agricultural center for the northern region of the Dominican Republic, is now served by eight commercial banks, including branches of three large foreign banks. The only American banks presently operating in the Dominican Republic are Chase Manhattan Bank and First National City Bank, both headquartered in New York City.

Large American banks, including Bank of America, may compete for the business of some Dominican residents and corporations and for the banking arrangements attending United States imports from and exports to the Dominican Republic. While such business and arrangements are not likely to be a significant factor in the overall operations of United States banks, the proposed acquisition, by affording Bank of America banking offices in the Dominican Republic will provide additional international banking competition to the two United States banks presently operating offices there.

Basis for Corporation approval, September 25, 1968

The Bank of America National Trust and Savings Association, San Francisco, California (Applicant), with total deposit of $15.8 billion, has applied, pursuant to Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's approval to acquire the assets of and assume liability to pay deposits made in Banco Nacional, S.A., Santiago, Dominican Republic, an uninsured foreign bank with total deposits of $754,000.

Applicant has no branch in the Dominican Republic and Banco has no office or representative in the United States. The nearest offices of Applicant to Santiago are some 400 miles away in the U. S. Virgin Islands and there is no competition between the participating banks. Banco is the smallest of nine banks operating in the Dominican Republic. Four of the banks are branches of two United States and two Canadian headquartered banks with aggregate deposits in the billions of dollars. Applicant's entry into the Dominican Republic could increase competition, particularly in the international banking field.

The factors of financial and managerial resources, future prospects, and convenience and needs of the community to be served are favorable with respect to Applicant and the resulting bank. The future prospects of Banco, which is experiencing unfavorable operating results, would be improved as branches of Applicant and the banking needs of the communities served by Banco would be more adequately met.

The Board of Directors is of the opinion that the proposed transaction would not lessen competition, tend to create a monopoly or, in any other manner, be in restraint of trade.

On the basis of the information presented and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 46	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Union Square Savings Bank New York, New York (change title to United Mutual Savings Bank)	283,901	5	9
to merge with			
The Kings County Savings Bank New York	216,147	4	

Summary report of Attorney General, August 12, 1968

Offices of the participating banks are located in contiguous but separate parts of New York City and are separated by a natural barrier, the East River. Mass transit facilities are present, and commuter traffic is heavy in the Metropolitan New York area. The greater part of County Bank's loan portfolio (about 64 percent) appears to be invested in real estate loans in New York City; about 40 percent of Union Square's portfolio is invested in New York City, with approximately 55 percent in mortgages in States other than New York. Thus, some direct competition may exist between the merging banks for the savings of commuters, and for loans, which will, of course, be eliminated by consummation of the proposed merger.

However, the proposed transaction would join the 14th largest Manhattan-based mutual savings bank with the 16th largest such institution headquartered in Brooklyn. The Resulting Bank will be 18th in size among the remaining 36 mutual savings banks headquartered in Manhattan and Brooklyn and will control about 2 percent of the deposits of these institutions. These figures would be even lower after allowance was made for savings and loan associations as well as savings deposits at commercial banks and credit unions.

Basis for Corporation approval, October 4, 1968

Union Square Savings Bank, New York (Manhattan), New York (Union), an insured mutual savings bank with total deposits of about $261,264,000, has applied, pursuant to Section 18(c)and other provisions of the Federal Deposit Insurance Act for the Corporation's prior approval to merge with The Kings County Savings Bank, New York (Brooklyn), New York (Kings), also an insured mutual savings bank, which has total deposits of about $195,433,000. The banks would merge under the charter of Union and with the title United Mutual Savings Bank and as an incident to the merger, the four offices of Kings would become branches of Union, increasing the number of its offices to nine (including one public accommodation office).

Competition. Union operates all five of its offices (including the public accommodation office) in Manhattan's East Side midtown area in New York City. Kings operates its main office and one branch in Brooklyn and one branch in the Bronx, all in New York City. It operates one other branch in Nassau County, a suburban area east of the city. The 1960 population of New York City was about 7,782,000.

Competition between the participating banks is practically nonexistent. Their closest offices are some 2½ miles apart in a densely populated urban area and their primary service areas are effectively separated by the East River. In addition, there are two intervening offices of another savings bank.

Competition in New York City is intense among banks in particular and financial institutions in general. This merger would have virtually no effect on the present concentration of deposits or loans or on existing competition. Each of the participating banks has less than 1 percent of the total deposits and of the total loans held by savings banks in New York City and the resulting bank would have less than 2 percent of each. Furthermore, there are 47 other mutual savings banks operating 233 offices in New York City. Many of these institutions are far larger than the resulting bank would be. In addition, substantial competition in New York City is provided by commercial banks and savings and loan associations. There are 878 commercial bank offices in the city holding an estimated $4,753,000,000 savings and 134 offices of savings and loan associations holding savings estimated to be in excess of $4 billion. Total savings in New York City in the commercial banks, savings and loan associations and savings banks combined is estimated to be some $36 billion and the resulting bank's share would be a little over 1 percent.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. The banking factors are considered acceptable with respect to the individual participating banks, but are considerably more favorable with respect to the resulting bank.

Convenience and Needs of the Community to be Served. Thrift services and mortgage loans have been provided by each of the participating institutions in its own area for over a century. The proposed merger would produce a better balanced bank with respect to surplus, earnings and management, and thereby permit improved service to the communities.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 47	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Old Stone Trust Company Providence, Rhode Island	5,628	17	28
to acquire the assets and assume the deposit liabilities of			
Plantations Bank of Rhode Island Providence	53,156	11	

Summary report by Attorney General, July 11, 1968

Old Stone Trust Company is a wholly owned subsidiary of Old Stone Savings Bank, the State's largest mutual savings bank. It carries on a commercial banking business limited primarily to accepting demand deposits and making single payment loans to individuals at 17 offices of its parent, 13 of which are located in the Providence metropolitan area. Plantations Bank is the State's fourth largest commercial bank and operates 11 offices, seven of which are located in the Providence metropolitan area.

The Providence metropolitan area contains the bulk of both the population and the commercial activity of the State of Rhode Island. Commercial banking is highly concentrated both in Providence and Rhode Island. The two largest banks have approximately 77 percent of IPC demand deposits in the Providence-Pawtucket-Warwick SMSA and 84 percent of commercial bank deposits in the State.

The proposed acquisition would eliminate direct competition between the two banks in Providence for IPC demand deposit accounts under $50,000. It would also appear to eliminate some direct competition between Plantations Bank and Old Stone Savings Bank for savings deposits and real estate loans in the Providence area. The proposed acquisition would not significantly increase concentration in commercial banking in either Providence or Rhode Island since it would add less than 1 percent to Plantations Bank's present market shares.

Although Old Stone Trust Company is presently engaged in commercial banking, the recentness of its limited entry into the field and the large resources and experience of its parent would justify treating it as a potential large scale entrant into commercial banking. Viewed in this light, the proposed merger eliminates the possibility that Old Stone Trust Company might become a significant additional factor in the commercial banking market. This factor, however, must be weighed against the possibility that the merger might allow Old Stone Trust Company to become a significant competitor of the two dominant commercial banks more quickly than if it were required to internally expand its presently small market position.

Basis for Corporation approval, October 4, 1968

The Old Stone Trust Company, Providence, Rhode Island (Old Stone Trust), an insured State nonmember bank with total deposits of $3,995,000 has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to acquire the assets of and assume liability to pay deposits made in the Plantations Bank of Rhode Island, Providence, Rhode Island (Plantations), with total deposits of $47,233,000. The banks would effect this transaction under the charter and title of Old Stone Trust and as an incident thereof, the 11 offices of Planatations would become branches of Old Stone Trust, increasing the number of its offices to 28.

Competition. Both of the subject banks have home offices in Providence, with their branches located throughout the State, the relevant trade area in this instance. Old Stone Trust is a wholly-owned subsidiary of the $350 million-deposit Old Stone Savings Bank. The share of the aggregate commercial and savings bank deposits in Rhode Island held by Plantations is 2.0 percent while Old Stone Savings Bank and Old Stone Trust hold 15.6 percent and 0.2 percent, respectively. Competition between Plantations on the one hand, and Old Stone Trust and Old Stone Savings Bank on the other, is not substantial as indicated by marked differences in the size deposits held and the type of loans made, the small size of Old Stone Trust and the recency of its entry of the commercial bank business, the decline of Plantations' share of the area's banking business and the proximity of numerous other bank offices including those of the State's two giant commercial banks. Old Stone Trust primarily handles personal checking accounts for customers of its parent bank and its commercial bank activities are restricted and likely to remain so absent this proposal, given the history of emphasis on personal banking service by both Old Stone Trust and its parent mutual savings bank, the domination of commercial banking in Rhode Island, and the difficulties in obtaining additional branch locations for commercial bank activities.

Rhode Island is serviced by 12 other commercial banks, five of which have main offices in Providence. The Industrial National Bank of Rhode Island and the Rhode Island Hospital Trust Company combined account for 85 percent of total deposits in commercial banks and 50 percent of the total deposits of commercial and mutual savings banks in the State. The greater capital and resources of the resulting bank, its increased lending ability and the additional services it can offer should place it in a position to become a significant commercial banking competitor fairly quickly. No important competitive loss appears to be involved in the proposed transaction and in any event it seems clearly outweighed by the competitive gain.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be a restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. Plantations has had a long and favorable history of banking in the community but now lacks the financial resources to expand to meet the ever-increasing demands of its customers. In 1956, 1957 and 1959 stock sales met with increased resistance and delay in marketing the offerings. The Old Stone Trust, on the other hand, has been in the commerical field to a very minor extent, offering mainly personal checking accounts and loans for customers of its parent mutual savings bank. The combination of the two banks would enable the resulting bank to offer broader services, including a larger lending limit, various computer applications, additional safe deposit units, and trust and international banking facilities.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 48	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Service Bank of Tonkawa Tonkawa, Oklahoma (proposed new bank)	400	—	1
to acquire the assets and assume the deposit liabilities of			
Bank of Commerce Tonkawa	5,449	1	

Approved under emergency provisions. No report requested from the Attorney General.

Basis for Corporation approval, October 7, 1968

Bank of Commerce was closed by the Bank Commissioner of the State of Oklahoma on September 25, 1968. The Corporation, in approving the purchase and assumption transaction, found it necessary to act immediately in order to restore needed banking services to the community.

No. 49	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The First Trust Company of Allegany County Wellsville, New York (change title to First Trust Union Bank)	36,807	7	8
to merge with			
The Union National Bank of Franklinville Franklinville	7,229	1	

Summary report by Attorney General, June 27, 1968

The First Trust of Allegany County has acquired six banks since 1957 and now operates seven offices, all in Allegany County. The Union National Bank of Franklinville is a unit bank with its office located at Franklinville. Cattaraugus County, Union National's home county, is situated in the southwestern part of the State adjacent to Pennsylvania. The town of Franklinville is in the east central section of Cattaraugus County adjacent to Allegany County. Both Cattaraugus County and Allegany County are primarily agricultural, although light industry and production of crude oil contribute to the counties' income.

The branch of First Trust closest to Union National is located at Cuba, New York, 18 miles southeast of Franklinville. As there are no other banking facilities located between Union National and First Trust's Cuba office, the area serviced by the banks may overlap to some limited degree and some small amount of direct competition may exist between them.

Although New York law permits limited branch banking, First Trust cannot branch *de novo* into the home office area of Union National, nor in view of the present limited size of the community and its relatively stagnant population trend would such *de novo* branching appear likely.

Accordingly, we conclude that this proposed merger does not appear to have significant anticompetitive effects.

Basis for Corporation approval, October 24, 1968

The First Trust Company of Allegany County, Wellsville, New York (First Trust), an insured State nonmember bank with total deposits of $32,787,000 has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge The Union National Bank of Franklinville, Franklinville, New York (Union National), with total deposits of $6,399,000. The banks would effect this transaction under the charter of First Trust and with the title First Trust Union Bank and as an incident thereof, the sole office of Union National would become a branch of First Trust, increasing the number of its offices to eight.

Competition. First Trust operates a main office in Wellsville and six branches throughout Allegany County, New York, from 14 to 38 miles distant from Wellsville. Union National operates its sole office in Franklinville, Cattaraugus County, 40 miles northwest of Wellsville on the main north-south route connecting the larger population centers of Buffalo and Olean, New York. The closest office of First Trust is at Cuba, 20 miles southeast from Franklinville. Competition between First Trust and Union National is not substantial and the residents of Franklinville will continue to have alternate bank choices. The area served by the resulting bank would contain 14 banks operating 31 offices. The home office protection enjoyed by Union National would be ended by this proposal. First Trust is presently the second largest bank in the relevant service area and will move to first position by the addition of Union National. It will however, continue to receive strong competition from the other Wellsville bank.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. Union National has served its community well over its long history, however, additional services would be offered by the resulting bank, benefiting the local community. These would include trust services not now offered by Union National as well as certain specialized types of lending, certificates of deposit and special type checking accounts. The legal lending limit of Union National is now only $80,000 as contrasted with that of the resulting bank, $394,000.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 50	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
New Britain Bank and Trust Company New Britain, Connecticut	48,948	7	8
to merge with **The Rocky Hill Bank and Trust Company** Rocky Hill	4,487	1	

Summary report by Attorney General, September 20, 1968

New Britain (population 78,000), the second largest city in urban Hartford County (population 777,000) is 8 miles west of Rocky Hill (population 9,000). Hartford (population 162,000) is about 8 miles northeast of New Britain and 8 miles northwest of Rocky Hill.

New Britain Bank's head office and five of its branches are located 8 miles from Rocky Hill's sole office; its nearest branches appear to be in Newington and Berlin, 5 miles northwest and 5 miles southwest, respectively, of Rocky Hill. There are no commercial banking offices in the intervening areas, although both Connecticut Bank and Trust Company and Hartford National Bank and Trust Company, each with deposits of over $700 million, operate branches about 2 miles north of Rocky Hill. Eleven common depositors have $101,642 in New Britain Bank and $15,119 in Rocky Hill Bank, and seven common borrowers have loans of $11,557 from New Britain Bank and $16,840 from Rocky Hill Bank. New Britain Bank and Rocky Hill Bank have, respectively, 90 and 64 deposit accounts from, and, 17 and 41 loans in, the other service area. Thus, it appears that this merger will eliminate competition between these banks.

New Britain holds about 4 percent of the county IPC demand deposits and Rocky Hill holds about 0.2 percent. However, Hartford County overstates the relevant geographic market. Five banks operate eight offices within the area of Rocky Hill, Berlin, Newington and Watersfield. As of June 30, 1966, New Britain Bank held 11 percent of IPC demand deposits and Rocky Hill Bank held about 4 percent of such deposits in this market.

Basis for Corporation approval, October 24, 1968

New Britain Bank and Trust Company, New Britain, Connecticut (Applicant), an insured State nonmember bank with total deposits of $41,313,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Rocky Hill Bank and Trust Company, Rocky Hill, Connecticut (Rocky Hill Bank), which has total deposits of $3,775,000. The banks would merge under the charter and with the title of the Applicant and, as an incident to the merger, the main and only office of Rocky Hill Bank would become a branch of the Applicant, increasing the number of its offices to eight.

Competition. Applicant is headquartered in New Britain which has a population of 86,300. It operates three branches in New Britain and one in each of three other communities in the central section of the State. Rocky Hill is 8 miles east from New Britain and has a population of 8,900. The main office is the only office operated by the Rocky Hill Bank. The merging banks' closest offices are 5 miles apart and no other banking locations are situated between them.

The service area relevant to this proposal includes the towns of New Britain, Newington, the northern half of Berlin, Bloomfield, Rocky Hill and Wethersfield. When considering commercial banks alone, New Britain's largest bank holds 37.8 percent of total deposits in five banking offices. The next largest share would be held by the resultant bank with 36.4 percent in eight offices (this includes 33.4 percent in the Applicant's seven offices increased by 3.0 percent in Rocky Hill Bank's only office). Connecticut's two largest commercial banks hold the remaining 25.8 percent of deposits in four branch offices. Thus the Applicant would hold the second largest amount of deposits both before and after the merger. There are a total of 17 commercial banking offices in the service area.

When considering total deposits of both commercial and mutual savings banks, the number of banking offices is increased to 30. The two largest shares of total deposits are held by two mutual savings banks based in New Britain with 31.4 percent and 17.1 percent in four offices and two offices, respectively. New Britain's largest commercial bank would follow with 11.6 percent of total deposits in five offices. The resultant bank would be fourth largest with 11.1 percent of deposits held in its eight offices (this includes 10.2 percent in Applicant's seven offices increased by 0.9 percent in Rocky Hill Bank's only office). The mutual savings bank in Berlin is next largest with 9.1 percent in three offices. The State's two largest commercial banks combined hold 7.8 percent in four offices and the remaining three mutual savings bank combined hold 11.9 percent in four offices. Thus when including both commercial and mutual savings banks, the Applicant would remain fourth largest both before and after the merger.

Both banks have experienced good growth; however, measured by the amount of business each derives from the other's immediate area, it appears there is not a substantial amount of competition between the merging banks. The small increase in concentration in banking resources in the relevant market area would not have significant adverse affects on competition.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly or, in any other manner, be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to the Applicant and are so projected for the resultant bank. Greater management depth would be provided the Rocky Hill Bank by the Applicant.

Convenience and Needs of the Community to be Served. The residential and industrial growth forecast for the Rocky Hill area will tend to increase credit requests in the not too distant future. The most significant changes to be offered by the resultant bank would be a greater legal lending capacity and trust department facilities which would be available at the Rocky Hill Office. Other improved and more varied services would also be available.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 51	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Industrial Valley Bank and Trust Company Jenkintown, Pennsylvania	307,514	31	37
to merge with			
Lehigh Valley Trust Company Allentown	79,399	6	

Summary report by Attorney General, September 16, 1968

Allentown (1960 population 108,000) located about 50 miles north-northwest of Philadelphia, is the principal city in Lehigh County. Bethlehem (1960 population 75,000) is located immediately to the east of Allentown, partly in Lehigh County and partly in Northampton County. Much of Lehigh County is rural in nature, but there is considerable industrial activity in the Allentown-Bethlehem area.

As of December 31, 1967, the Allentown-Bethlehem market was served by five commercial banks with total deposits of $556 million. Lehigh Trust, with about 13 percent of commercial bank deposits in this market, is the smallest of these banks, although there are smaller banks operating in Lehigh County.

Industrial Valley operates no offices in Lehigh County and there appears to be very limited competition between these two banks whose closest offices are approximately 15 miles apart.

Pennsylvania law permits *de novo* branching by a commercial bank into all counties which are contiguous to the county in which the bank's head office is located. Since Montgomery County is contiguous to Lehigh County, Industrial Valley could branch *de novo* into Lehigh County and into Allentown. Moreover, it is one of the few large banks operating in the Philadelphia area which can do so, since most Philadelphia banks have their head offices in Philadelphia County, which is not contiguous to Lehigh County.

Since 1964 Industrial Valley has increased the number of its offices from 21 to 30. Of these new offices, five were acquired by merger and the remainder were opened *de novo*. Given its size, location, and history of *de novo* branching activity, it appears that Industrial Valley is a likely potential *de novo* entrant into Lehigh County and Allentown.

To summarize the proposed merger would combine a likely *de novo* entrant into the large and highly concentrated Allentown-Bethlehem market with a significant competitor there. Accordingly, it is our view that the merger would have an adverse effect upon potential competition.

Basis for Corporation approval, October 24, 1968

Industrial Valley Bank and Trust Company, Jenkintown, Pennsylvania (Applicant), an insured State nonmember bank with total deposits of $275 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Lehigh Valley Trust Company, Allentown, Pennsylvania (Allentown Bank) which has total deposits of $73.7 million, under the charter and title of the Applicant and, incident thereto, to establish seven branches at the six existing offices and one approved but unopened office of Allentown Bank.

Competition. The service area of Applicant, of which the population is estimated at 2,340,000, is essentially Philadelphia and southeastern Pennsylvania. Philadelphia and the surrounding area are heavily industrialized with diversified activity, extensive commercial services, port facilities, and an expanding residential population. The economy in the communities in the surrounding counties (Bucks, Montgomery, Chester, and Delaware) where Applicant presently has branches, for the most part, is geared to the economy of the greater Philadelphia area.

The service area of Allentown Bank is confined to Lehigh County and the southern portion of Northampton County, including Bethlehem, which straddles the boundary between the two counties. Lehigh County is contiguous to Montgomery County on the north and the merger will expand Applicant's primary service area to this region. The population of Allentown Bank's service area is estimated at 410,000. Allentown is a heavily industrialized community, part of the Allentown-Bethlehem area which has experienced substantial population growth in recent years.

The main offices of the two banks are 50 miles apart and the closest office of Applicant to Allentown Bank is some 17 to 18 miles south toward Philadelphia. The two banks operate in separate market areas and there is little, if any, competition between them. Moreover, there seems little potential for competition between them; Allentown Bank has shown no inclination to expand beyond the Allentown area and it is doubtful that Applicant could obtain the State's approval to enter Allentown through *de novo* branching For these and other reasons, elimination of potential competition is not considered a realistic objection to this merger.

Applicant ranks fourteenth among 44 banks located in its primary service area (tenth among commercial banks), as measured in terms of IPC deposits. Several of its Philadelphia competitors hold IPC deposits in excess of $1 billion each. With respect to this market area, the merger would have no significant effect on competition. Any competitive effects would occur in the service area of Allentown Bank where it ranks seventh among twenty competing banks, in terms of IPC deposits. In the immediate Allentown-Bethlehem area, it ranks smallest among seven banks, being only about one-third the size of the largest bank. The merger should tend to increase competition in the area now served by Allentown Bank.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. Financial resources and future prospects are satisfactory with respect to both participating banks and are so projected for the resulting bank. With respect to managerial resources, the merger will fill a gap in administrative personnel in Allentown Bank—a situation which has been a continuing problem in recent years. It will substitute an active and aggressive management for one which lacks such capabilities in a highly competitive banking market.

Convenience and Needs of the Community to be Served. As a result of the merger, the Allentown-Bethlehem area would gain the advantage of a bank with a larger lending limit than any now available in the area itself. The resulting bank could provide substantial credit lines and make accessible the present computer services of the Applicant for a variety of customer service requirements. Qualified personnel would be available to adequately administer an expanded portfolio and loan services. The more adequate management and more modern operating procedures of the larger bank would also tend to better serve the needs and convenience of the Allentown-Bethlehem community. Additionally, the availability of a bank with branches in Philadelphia would be of some service.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 52	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Central Carolina Bank & Trust Company Durham, North Carolina	107,186	25	26
to merge with			
Carolina Bank and Trust Company Denton	4,681	1	

Summary report by Attorney General, July 25, 1968

Within about 15 miles of Denton five banks operate eight banking offices. Because of the 28-mile distance between the nearest offices of the merging banks, and the availability of other banking alternatives, there appears to be no direct competition between them at the present time.

North Carolina law permits statewide *de novo* branching. While it does not appear likely that Carolina Bank with its limited resources and local orientation, would open offices in areas now served by Central Bank in the foreseeable future, Central Bank has been expansion-minded in the past and has scattered branch operations; these factors suggest that it could become a competitor of Carolina Bank through *de novo* branching in the economically vigorous Denton vicinity. The proposed merger would eliminate Central Bank as a source of potential competition in Denton or in Davidson County.

Basis for Corporation approval, November 1, 1968

Central Carolina Bank & Trust Company, Durham, North Carolina (Applicant), an insured State nonmember bank with total deposits of $98 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Carolina Bank and Trust Company, Denton, North Carolina (Denton Bank) which has total deposits of $4.1 million, under the charter and title of the Applicant and, incident thereto, to establish the sole office of Denton Bank as a branch.

Competition. Applicant, operating 24 branches, is a regional bank offering a complete range of banking services. All but two of its offices are located within a 55-mile radius of Durham which, together with Chapel Hill (12 miles southwest) and Triangle Park (8 miles south), comprises the principal market area. Thirteen of the 25 offices are located in these three communities. The Durham area is heavily industrialized and, with the three major universities in the State located in the area, research development has become an important economic activity. Agriculture, also, continues to be an important segment of the economy. Denton is about 90 miles southwest of Durham and the closest office of Applicant is at Mocksville, 37 miles northwest. Denton Bank is the only bank in Denton and it serves a rather limited local area in which there is some industry but where agriculture still is of major economic importance.

There is no overlapping of the service areas of Applicant and Denton Bank and the merger would not result in a substantial lessening of competition, actual or potential. Officials of banks competing with Denton Bank offered no objections to the proposal. Applicant, ranking eighth in size among all North Carolina banks, competes with offices of the other ten largest. It is much smaller than most of its major competitors, holding 2.2 percent of total deposits held by all banks competing in the combined service areas, as compared to 26.4 percent for the largest bank, 3.9 percent for the sixth largest, and 2.4 percent and 2.0 percent for the seventh and ninth largest banks, respectively. Denton Bank holds a minor 0.1 percent of the total deposits and the addition of its resources to those of Applicant would have no significant effect on competition in the latter's present service area. Major competition for Denton Bank emanates from banks in Asheboro, Lexington, and Thomasville, 18 to 19 miles from Denton, including branches of the State's largest and third largest banks. The substitution of a branch of Applicant for Denton Bank should tend to increase competition with these banks.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. Denton Bank, because of its comparatively limited resources and unit structure, is unable to provide a full range of banking services. As a result of the merger, the Denton area would gain the advantage of a large regional bank which provides all types of banking facilities on a larger and broader scale and, thus, could better serve the convenience and needs of the community.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 53	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
First State Bank & Trust Company Albany, Georgia	37,471	4	4
to acquire the assets and assume the deposit liabilities of			
Albany Savings Bank Albany	9,080	1	

Summary report by Attorney General, September 20, 1968

The economy of Albany (population, 68,000), the principal center of Dougherty County (population, 90,000) is industrial, although the surrounding area is agricultural. There are two military installations on the outskirts of the city. Within Dougherty County, three commercial banks and one savings bank operate 10 offices, all in or immediately outside of Albany.

Two savings and loan associations, Albany First Federal Savings and Loan Association (total deposits $19 million) and Home Federal Savings and Loan Association (total deposits $11 million) also operate four offices in Albany.

Both banks accept savings deposits and offer comparable loan services in the same market. After merger, the resulting bank will have 43 percent, or the largest share, of savings deposits in all commercial banks and savings and loan associations in Dougherty County. However, in view of the interlocking control of the two banks which has existed since Albany Savings Bank was organized, the two banks probably do not now compete with one another to any significant extent. The proposed merger would eliminate Albany Savings as a potential independent competitor in Dougherty County should such common ownership be dissipated in the future.

Basis for Corporation approval, November 1, 1968

First State Bank & Trust Company, Albany, Georgia (State Bank), an insured State nonmember bank with total deposits of about $32,025,000, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act for the Corporation's prior approval to acquire the assets of and assume the liability to pay deposits made in Albany Savings Bank, Albany, Georgia (Savings Bank) which has total deposits of about $7,912,000. The banks would effect this transaction under the charter and with the title of State Bank and as an incident to the transaction, the sole office of Savings Bank would become a branch of State Bank and the number of its offices would remain at four. This is due to the planned discontinuation of State Bank's branch located directly across the street from Savings Bank's office.

Competition. State Bank operates its main office and two branches in Albany, Georgia and one facility at the naval air station which is adjacent to Albany. Albany is located in the center of the southwest quadrant of the State of Georgia and has an estimated population of 68,000. It is located in Dougherty County with an estimated population of 85,000. Savings Bank's sole office is located in downtown Albany, directly across the street from one of State Bank's branches and one block from its main office. Competition between the participating banks is moderate at most. This is attributed in part to the difference in the services offered by the respective institutions. State Bank is a full service commercial bank offering a broad range of commercial bank services, whereas Savings Bank has restricted its activities primarily to thrift services and real estate mortgage loans. Furthermore, effective competition between the two banks is inhibited by long-standing interlocking control of both banks. Indeed, the two families which own control of State Bank were principal organizers of Savings Bank in 1950.

State Bank is presently the second largest of the four banks operating in Albany and the resulting bank would remain in the second position. There would still be two other banks operating in Albany. The largest bank is a member of a holding company whose lead bank is the largest bank in the State of Georgia. The moderate increase in State Bank's resources would not adversely affect competition in the relevant area.

The Board of Directors is of the opinion that the proposed transaction would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are satisfactory with respect to State Bank as they would be for the resulting bank. Savings Bank's problems, with respect to capital and ability to offer competitive services, would be eliminated by this transaction.

Convenience and Needs of the Community to be Served. State Bank appears to be a well established bank able to offer the wide range of services desired by the community. The services rendered by Savings Bank are very limited and the resulting bank would be a larger full service institution. It appears that the Albany public would be benefited through the additional services which would be rendered by three competitive full service institutions.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 54	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Washington Trust Bank Bristol, Virginia	19,441	4	7
to merge with			
Russell County National Bank Honaker	8,241	3	

Summary report by Attorney General, September 5, 1968

Washington Trust is an affiliate of Virginia Commonwealth Bankshares Incorporated, a registered bank holding company having nine other member banks and about 5 percent of total deposits in the State. It is the fourth largest of five banks operating 11 offices in the Bristol, Virginia area (population 17,000) and the only bank headquartered there. Two of these are branches of banks having over $300 million in total deposits.

Russell County (1960 population, 26,300), whose economy rests on tobacco and livestock had, as of June 30, 1966, total deposits of $14.9 million. The county is served by two banks, Russell National and a branch of First National Exchange Bank in Virginia (total deposits $337 million) located in Lebanon (population 2,085).

Washington Trust and Russell National are 58 miles apart and have no known common depositors; the nearest affiliate of Virginia Commonwealth Bankshares to an office of Russell National is 25 miles away. Thus, no elimination of competition is involved in the proposed merger.

Virginia law prohibits branching outside of the county in which a bank's head office is located except by merger. Thus, neither bank is a potential *de novo* entrant into the other's market. Virginia Commonwealth Bankshares does have the resources to enter Russell County *de novo*. However, given the size of the market, this does not seem to be a realistic possibility at this time.

Basis for Corporation approval, November 11, 1968

Washington Trust Bank, Bristol, Virginia (Applicant), an insured State nonmember bank with total deposits of $17,411,000 and a subsidiary of Virginia Commonwealth Bankshares, Inc., Richmond, Virginia, a registered bank holding company, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Russell County National Bank, Honaker, Virginia (National), which has total deposits of $7.4 million, under the charter and title of the Applicant and, incident thereto, to establish three branches at the existing locations of National.

Competition. The service area of Applicant includes the cities of Bristol, Virginia, and Bristol, Tennessee (contiguous cities having a common main street), and the surrounding area in Washington County, Virginia, and Sullivan County, Tennessee, within a radius of about 10 miles of Bristol. The city is an urban retail and service center serving southwest Virginia and the region known as Upper East Tennessee. The 1966 population of the Bristol metropolitan area was about 180,000. The most important of the area's basic industries is manufacturing which accounted for 39 percent of total employment in 1965. The area has experienced strong economic growth in recent years.

The service area of National lies within Russell County which is mountainous and predominantly rural. Agriculture is the leading industry with fine burley tobacco, cattle and sheep providing the major part of farm income. The present population of the service area is estimated at 27,600.

Three of Applicant's four offices are within the city limits of Bristol and the other is in Washington County about 5 miles northeast of downtown Bristol. National's main office in Honaker is 51 miles northeast of downtown Bristol, its Lebanon Branch is 35 miles north, and its Cleveland Branch (acquired in a 1966 merger) is 42 miles north. The nearest offices of the merging banks are 30 miles apart and they operate in separate market areas. Virginia law prohibits either bank from establishing de novo branches in the service area of the other and the only means of accomplishing branch expansion beyond the present service area of either bank is by merger. Thus, there is no existing or potential competition between the two banks which will be eliminated. The nearest other subsidiary bank of Virginia Commonwealth Bankshares, Inc. to Bristol or the offices of National is The First Valley Bank, Weber City, Virginia, the sole office of which is 27 miles west of Bristol and not competitive.

Applicant ranks fourth in size, in terms of total deposits, among six banks competing in its present service area. Two of its competitors, operating five branches in the area, are substantially larger banks—one about equal in size with the State's present largest bank and the other ranking fourth. Applicant would increase its relative size by less than 1 percent as a result of the merger which, with respect to this market area, would have no significant effect on competition. Any competitive effects would occur in the service area of National which ranks next to smallest among five banks competing in that area, including the same two substantially larger banks represented in Bristol. The merger should tend to increase competition in the area now served by National.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. Both Applicant and National have served community convenience and needs in their respective service areas for a number of years. The resulting bank could provide a broader range of banking services on a larger scale through its greater resources, larger capital base, and improved management capabilities. This would be especially true in the service area of National. The increased lending limit will be beneficial with respect to the larger commercial and industrial activities; also, the resulting bank can provide a wider range of specialized loan services in the market area of National.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 55	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The American Bank Woodbridge, Virginia	37,410	13	16
to merge with			
Fidelity National Bank Arlington	22,668	3	

Summary report by Attorney General, September 27, 1968

The American Bank, a subsidiary of Virginia Commonwealth Bankshares, operates 13 banking offices, 12 of which are in Prince William and Fairfax Counties, and one in Arlington County, in Northern Virginia. Fidelity National Bank operates its main office and two branches in the town of Arlington in Arlington County, Virginia. The one Arlington County branch of American Bank is located one mile from a Fidelity branch. Thus, there is some competition between the two banks which would be eliminated by the proposed merger.

Eight banking organizations, four of which are bank holding companies, and one of which is a very large Richmond bank, operate 45 offices in Arlington County. As of June 30, 1966, American Bank held the smallest share, or 1.3 percent of total county deposits, and Fidelity held the sixth largest share, or 4.1 percent.

Basis for Corporation approval, November 12, 1968

The American Bank, Woodbridge, Virginia (American), an insured State nonmember bank with total deposits of $31 million and a subsidiary of Virginia Commonwealth Bankshares, Inc., Richmond, Virginia, a registered bank holding company, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Fidelity National Bank, Arlington, Virginia (Fidelity), which has total deposits of $20 million, under the charter and title of American and, incident thereto, to establish three branches at the existing locations of Fidelity.

Competition. The service area of American includes all of Prince William County, the eastern section of Fairfax County near the independent City of Alexandria, and two sections of Arlington County. Fidelity's three offices serve three different sections of Arlington County which is primarily a residential section in the Washington metropolitan area. At the end of 1967, its population was estimated at 184,000 with government employees representing almost one-third of total employment. There are a large number of professional and retail outlets in the area and some commercial and industrial activity. Prince William County which lies west and south of Fairfax County had an estimated population of 91,800 at the end of 1967. A large part of its working population is employed in government offices or in nearby military establishments. Agriculture, brick kilns, and lumbering, however, continue to constitute a major part of the economy. American has eight offices in Prince William County, and two each in Arlington and Fairfax Counties.

The closest offices of the merging banks are the main office of Fidelity at Court House Square, Arlington and the Rosslyn Branch (Arlington County) of American, about one mile apart. The amount of business that each bank derives from the service area of the other is nominal and, while some lessening of competition would result, it is not substantial in relation to the total existing competition in the relevant market area. American has total deposits of about $7.5 million in its four offices in Arlington and Fairfax Counties, as compared to more than $600 million held by other commercial banks in the same area. Moreover, competition derives to some extent from the 15 banks located in the District of Columbia, to where many of the residents commute for employment. Among 16 banks considered to be primarily competitive, American holds 3.9 percent of the total deposits and the resulting bank would hold 7.3 percent. By comparison, four of the 16 banks are subsidiaries of another large Virginia holding company and, combined, hold 34.5 percent of the total deposits. The merged institution would represent an increased source of competition for these and other larger banks in the area. Moreover, within a short distance of each office of Fidelity are several offices of other banks (both independent and affiliated) which would provide the public with continued convenient availability of numerous alternate banking choices.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to American. On the other hand, Fidelity, which is a relatively new bank (organized in 1964), has experienced serious management and asset problems. The merger would correct the weakened asset condition of Fidelity by eliminating it as an independent bank and would provide the public with offices of a much sounder institution. The inadequate management would be strengthened by the management of American which is considered fully adequate for the resulting bank, more particularly through the depth, competence, and management skills which can be provided by the parent holding company. Future prospects for the resulting bank appear favorable.

Convenience and Needs of the Community to be Served. As a result of the merger, the customers of Fidelity and the public in the areas it serves would gain the advantage of a bank with a larger lending limit and would benefit from the skilled and specialized services offered by American, not only through its internal organization, but also through its holding company affiliation. The parent bank in this holding company group has gained nationally recognized expertise in the field of consumer credit. Other specialized services which would be offered by American include a credit card program, investment and credit analysis, specialization in various types of lending, public relations and advertising, electronic data processing of records, and internal routine and controls.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 56	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Citizens Bank of Portland Portland, Indiana	11,284	1	2
to merge with **Pennville State Bank** Pennville	928	1	

Summary report by Attorney General, August 21, 1968

This merger involves two small banks located respectively in Portland (population 7,000) and Pennville (population 800), two communities located 12 miles apart in Jay County (1960 population of 22,572). This county is presently being served by six banks with seven banking offices.

There is some existing affiliation between the two banks. The President of Citizens Bank, who is also a Director, serves as a Director of Pennville Bank, with 14.5 percent and 12 percent of the stock of the respective banks. Another Director of Citizens Bank owns 5.2 percent of the stock of Pennville Bank. The duration of these stock interests is not indicated in the application.

Citizens Bank is about 12 miles from Pennville Bank with no intervening offices. There appears to be some competition between the merging banks, which have 20 common IPC deposit accounts totalling $1.4 million and 10 common IPC loan accounts totalling $540,000. This competition will be eliminated by this merger. To the extent that competition may have been foreclosed by the existing affiliation discussed above, the proposed merger would permanently eliminate the possibility that competition would be resumed if, and when, the affiliation were terminated.

Citizens Bank is the second largest of the three banks operating in Portland and of the six banks operating in Jay County. It holds approximately 29 percent of Jay County's IPC demand deposits and Pennville Bank holds about 3 percent. The largest bank in the county holds 38 percent of such deposits.

While Pennville Bank's recent financial history indicates that it is encountering certain difficulties, the application does not contain any information that would indicate that its problems could not be solved by means other than merger with the second largest bank in the area.

Basis for Corporation approval, November 19, 1968

The Citizens Bank of Portland, Portland, Indiana (Applicant), an insured State nonmember bank with total deposits of $10,373,200, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Pennville State Bank, Pennville, Indiana (Pennville Bank), which has total deposits of $834,800. The banks would merge under the charter and with the title of the Applicant and, as an incident to the merger, the main and only office of Pennville Bank would become a branch of the Applicant, increasing the number of its offices to two.

Competition. Applicant is headquartered in Portland which has a population of 6,754. Pennville is 12 miles northwest from Portland and has a population of 730. No branches are operated by either bank. There are no banking offices situated between the offices of the participating banks.

The service area relevant to this proposal includes an area within a 6 to 8 mile radius of Portland and an area with a slightly shorter radius around Pennville. There is a slight overlapping which is not considered significant. The largest bank in the resultant bank's service area holds 49.4 percent of total deposits. The next largest share would be held by the resultant bank with 33.2 percent (this includes the Applicant's 30.8 percent and Pennville Bank's 2.4 percent). The remaining bank holds 17.4 percent of deposits. Thus the Applicant would be second largest both before and after the merger.

The Applicant has experienced good growth and the Pennville Bank moderate growth in recent years. Measured by the amount of business each derives from the other's service area, competition does not appear to be substantial between the merging banks. The small increase in concentration in banking resources in the relevant market would not have an adverse effect on competition.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly or, in any other manner, be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are acceptable with respect to the Applicant and are so projected for the resultant bank. Improved management quality and depth would be provided the Pennville Bank by the Applicant. Better operating procedures of the Applicant would substantially improve the prospects of the Pennville office.

Convenience and Needs of the Community to be Served. Except for a higher lending limit, there will be little change in the services offered the community of Portland. The services to be offered the community of Pennville will be substantially improved over those presently available. In addition to higher lending limits and trust facilities, the banking quarters would be more accessible and experienced main office personnel would be available for consultation, especially to provide information regarding agricultural lending. It appears that community services in Pennville would be improved.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 57	Resources (in thousands of dollars)	Banking Offices In operation	Banking Offices To be operated
Bank of Warwick Newport News, Virginia	33,453	6	7
to acquire a portion of the assets and assume a portion of the liabilities of			
The Bank of Virginia Richmond	18,329(5)	1	

Summary report by Attorney General, October 16, 1968

The Bank of Warwick and the Bank of Virginia are both affiliates of the Virginia Commonwealth Bankshares, Inc., a registered bank holding company which owns 99.9 percent of the outstanding capital stock of both banks.

Although an office of the Bank of Warwick and the branch office of the Bank of Virginia involved in this transaction are located practically next to each other, the proposed transaction will not eliminate competition because the Bank of Warwick and the Bank of Virginia are both owned by the same holding company. The reason for the transfer of the branch office from one subsidiary to the other, apparently, is merely to increase economies of operation.

Basis for Corporation approval, November 26, 1968

Bank of Warwick, Newport News, Virginia (Warwick), a State member bank with total deposits of $30,225,000 and a subsidiary of Virginia Commonwealth Bankshares, Inc., Richmond, Virginia, a registered bank holding company, has applied, pursuant to Sections 6 and 18(c) and other provisions of the Federal Deposit Insurance Act, for Federal deposit insurance as a State nonmember bank to become effective simultaneously upon withdrawal from membership in the Federal Reserve System; and for the Corporation's prior consent to acquire the assets of and assume liability to pay deposits of $17,310,000 made in the Newport News Branch (Branch) of The Bank of Virginia, Richmond, Virginia, also a subsidiary of Virginia Commonwealth Bankshares, Inc., and, incident thereto, to establish this branch as a branch of Warwick, with subsequent change of location from 2805 Washington Avenue to 3027 Washington Avenue, Newport News, Virginia; and for the Corporation's prior written consent to exercise trust powers.

Competition. The service area of the six offices of Warwick covers the contiguous independent cities of Newport News and Hampton and the southern part of York County, located immediately to the north. Branch is located in downtown Newport News, one block from the nearest office of Warwick. The economy of the area, which has a total population of about 282,000, is related to several military and naval establishments, Newport News Shipbuilding and Dry Dock Company, and various other smaller industries. Tourism and nearby beaches provide some stimulus to the economy.

The two banks are only nominally competitive, since both are subsidiaries of the same holding company. Branch is the only office of The Bank of Virginia in the Newport News area and under Virginia statutes is precluded from establishing additional de novo branches in the area. The resulting bank would hold the third largest volume of local deposits among seven banks in the market area—the same position it presently holds among eight banks. It faces direct competition from branches of the State's two largest banks; also, the largest bank in the area in terms of local deposits is an affiliate, through another holding company, of the State's third largest bank. The Bank of Virginia is the State's fourth largest bank.

The Board of Directors is of the opinion that the acquisition would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to both participating banks and are so projected for the resulting bank. The holding company initiated the transaction as a means to effect economies in the operation of its affiliated banks in Newport News.

Convenience and Needs of the Community to be Served. Since both Warwick and Branch are affiliates of the same holding company, the change of Branch from an office of The Bank of Virginia to an office of Warwick will not bring new banking facilities into the area or change significantly the present capacity of the two banks. However, as a result of the transaction and the sale of additional capital and acquisition of trust powers, Warwick will be a stronger institution which should enable it to compete more aggressively in competition with the larger banks in the Hampton-Newport News area. The present customers will also be able to transact business at any of the other offices of Warwick.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 58	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Biddeford Savings Bank Biddeford, Maine	17,780	1	1
to consolidate with			
York Savings and Loan Association Biddeford	2,971	1	

Summary report by Attorney General, October 17, 1968

Biddeford (population 19,300) is located in the eastern portion of York County (population 100,000). In the Biddeford-Saco area, there are three commercial banks, three savings banks and one savings and loan association.

The offices of the merging institutions are within walking distance of one another, and are in direct competition for time deposits and real property loans. Biddeford Savings and York have 550 common savings accounts, which represent 33 percent of York's accounts. This competition will, of course, be eliminated by the merger.

Basis for Corporation approval, November 26, 1968

Biddeford Savings Bank, Biddeford, Maine (Applicant), an insured mutual savings bank with total deposits of about $15,633,000, has applied pursuant to Section 18(c) of the Federal Deposit Insurance Act for the Corporation's prior approval to consolidate with York Savings and Loan Association, Biddeford, Maine (York Savings) which has total withdrawable balances of about $2,662,000. The two institutions would consolidate under the charter and title of Applicant. It is intended that the sole office of York Savings would be discontinued and its operations transferred to the sole office of Applicant.

Competition. Both of the participating institutions are one-office operations located approximately 100 feet apart on Main Street in Biddeford, Maine. That city's 1960 population of about 19,300 makes it the largest city in York County which is located in southern Maine, near the Atlantic Ocean. Across the Saco River from Biddeford is located the City of Saco, with a 1960 population of about 10,500. The service area of York Savings is contained entirely within that of Applicant. Both participants are thrift institutions which invest their funds almost exclusively in real estate mortgage loans. York Savings is a small institution which has not grown appreciably, especially in recent years. Only minor competition exists between it and Applicant because they have long had a more or less common board of directors and trustees.

Applicant is the second largest savings bank in the service area and the resulting bank would continue in this position. Of the IPC time deposits and loans held by savings banks and savings and loan associations, Applicant holds 23.5 percent and 21 percent. The resulting bank would have 27.4 percent and 26.6 percent of the time deposits and loans, respectively. If commercial banks were included, the resulting bank would have 20.8 percent of the time deposits. The size increases resulting from this consolidation are even more moderate in terms of dollar amounts involved, and the resulting bank would still be faced with ample competition from eight other banks and savings and loan associations in the primary service area. In addition, there is significant competition for savings deposits and loans from financial institutions outside the service area.

The Board of Directors is of the opinion that the proposed consolidation would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors are satisfactory with respect to Applicant, but the future prospects of York Savings are rendered less than bright by its inability to meet the competitive dividend rate. This consolidation would eliminate this problem and the banking factors with respect to the resulting bank are satisfactory.

Convenience and Needs of the Community to be Served. Thrift services and mortgage loans have been provided by each of the participating institutions for many years. The proposed consolidation would produce a stronger institution which could more easily absorb competitive dividend costs and thereby benefit present and potential depositors.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 59	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Morgan Guaranty Trust Company of New York New York New York	9,173,248	5	5
to merge with **Morgan Guaranty Safe Deposit Company** New York	346	—	

Summary report by Attorney General, October 15, 1968

The Morgan Guaranty Safe Deposit Company has the power to engage in the business of renting vaults and safe deposit boxes, but has no power to make loans or accept deposits other than deposits of personal property and papers for storage. Morgan Guaranty Trust Company, a commercial bank and trust company, owns 99.7 percent of the stock of Morgan Guaranty Safe Deposit Company. The present safe deposit facilities of Morgan Guaranty Safe Deposit Company are located in leased portions of four of Morgan Guaranty Trust Company's New York City branches. The reason for the merger is to eliminate the necessity of maintaining separate accounting records. The proposed transaction has no effect on competition.

Basis for Corporation approval, November 26, 1968

Morgan Guaranty Trust Company of New York, New York, New York, (Trust Company), with total deposits of $7.5 billion, has applied, pursuant to the provisions of Section 18(c)(1)(A) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge under its charter with Morgan Guaranty Safe Deposit Company, New York, New York, (Deposit Company), an affiliated noninsured institution with no deposit liabilities which conducts a safe deposit business at the four domestic offices of Trust Company. The safe deposit facilities will be continued by Trust Company following the merger.

Competition. Trust Company was organized in 1864 and its main office and four branches are located in the Borough of Manhattan, New York City. It also operates branches in foreign countries. Deposit Company was organized in 1911 as an affiliate of Trust Company for the sole purpose of conducting safe deposit operations. Deposit Company holds no deposits or loans and is not engaged in general commercial banking activities. Trust Company owns all but seven of Deposit Company's 2,500 shares of capital stock and the proposed merger is essentially a corporate reorganization and would have no effect on competition.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to the merging and proposed institutions.

Convenience and Needs of the Community to be Served. The operations of Deposit Company will be continued at the same locations and in the same manner as before and thus the convenience and needs of the public will be served as in the past.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 60	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
First State Bank of Salina Salina, Utah (change title to First State Bank)	12,611	3	4
to merge with			
Manti City Bank Manti	3,780	1	

Summary report by Attorney General, November 20, 1968

In Sanpete County (1960 population, 11,053), a primarily rural area, there are four banking offices holding a total of $16 million in deposits. Manti Bank, with about 9 percent of IPC deposits, is the smallest bank in the county.

First State Bank, which serves Salina and other communities within the sparsely populated, rural counties of Sevier, Piute, Garfield, and Kane, has the second largest share, or 37 percent, of IPC deposits in Sevier County (1960 population, 10,565). First State Bank's primary competitor in this county should be Richfield Commercial and Savings Bank (total deposits, $9 million), with 45 percent, or the largest share of such deposits, located 18 miles south of Salina, with no banks in the intervening area. The largest bank in Utah, with total deposits of $466 million, also operates in this county. First State Bank is the only bank operating in Kane or Garfield Counties (1960 populations 2,667 and 3,577, respectively).

The closest offices of the merging banks are 35 miles apart; one bank, with total deposits of $4.3 million, operates in the intervening area. The two banks estimate that they have about 25 common depositors with no more than a total of $100,000 in either bank. Thus, there may be some competition between them. Although the likelihood of competition is minimized by the fact that two of the directors and major shareholders of the Manti Bank also own 18 percent of the stock of First State Bank, consummation of this merger would foreclose the future possibility of competition developing between First State Bank and Manti Bank should these interlocks be terminated.

Basis for Corporation approval, November 26, 1968

First State Bank of Salina, Salina, Utah (Applicant), an insured State nonmember bank with total deposits of $11.6 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Manti City Bank, Manti, Utah (City Bank), an insured State nonmember bank with total deposits of $3.4 million. The merger would be effected under the Applicant's charter and with the title "First State Bank" and, as an incident thereto, City Bank's sole office would be operated as a branch, increasing the number of Applicant's offices to four.

Competition. Applicant has three widely spaced offices in the sparsely populated south-central section of Utah. Its northernmost office is the main office in Salina and its branches are in Panguitch, 100 miles south, and Kanab, 165 miles south. City Bank's office is in Manti, 26 miles north from Salina. Each of these bank office communities has a population of less than 2,000. Another bank office lies about midway between the merging bank's main and closest offices and their service areas do not overlap. Applicant and City Bank have had a close relationship for a number of years. They are controlled by the same interests and City Bank's managing officer is on loan from Applicant. There is virtually no competition between the merging banks.

City Bank is smaller than either of its nearest bank competitors—Bank of Ephraim with deposits of $4.9 million and Gunnison Valley Bank with deposits of $4.7 million. The latter also is Applicant's nearest competing bank. The next nearest bank to Applicant, Richfield Commercial and Savings Bank with deposits of $8.4 million, is controlled by the same interests as the merging banks. The Applicant's two branches are the only bank offices in their respective counties. The proposed merger of these two closely associated banks would have no unfavorable effects on competition.

The Board of Directors is of the opinion that the proposed merger would not lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources, Future Prospects, and Convenience and Needs of the Community to be Served. These factors are favorable with respect to the Applicant and are so projected for the resulting bank. City Bank lacks management depth and is being operated temporarily by an officer of the Applicant. The bank's average deposit trend shows a net decline over the past two calendar years. The proposal would resolve City Bank's management problem and as a branch under Applicant's aggressive management, its prospects for growth would be improved. The availability of a significantly larger lending limit should add to the convenience and needs of the Manti area.

On the basis of the information presented and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 61	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Owosso Savings Bank Owosso, Michigan	40,341	4	5
to merge with			
The Old Corunna State Bank Corunna	13,256	1	

Summary report by Attorney General, January 12, 1965

Owosso Savings Bank, Owosso, Michigan, with three branches in Owosso, and with total assets of $28 million, proposes to consolidate with Old Corunna State Bank, Corunna, Michigan, with one office in Corunna and with total assets of $10.5 million.

The proposed consolidation would eliminate substantial competition between the acquiring and the merging banks and would create, as the resulting bank, an institution having 52.1 percent of IPC deposits and 50.9 percent of the loans in its service area.

The proposed consolidation would have a serious adverse effect upon competition in that it would permanently eliminate all competition between the merging banks and create a dominant institution in the affected service area.

December 15, 1966

On January 12, 1965, we submitted a report on the proposed consolidation of the same banks. The proposal was disapproved by the authorities of the State of Michigan and no action was taken on the application by the Federal Deposit Insurance Corporation. The present application indicates that since the time of our last report both banks have increased slightly their shares of the total commercial banking business in the service area of the resulting bank and that they would together account for nearly 57 percent of total commercial bank deposits in this area.

The present application contains no facts which would cause us to change our previous conclusion, as set out in our January 12, 1965 report, that the proposed consolidation would have a serious adverse effect on competition.

July 26, 1968

The additional material supplied by the Applicant by letter dated July 15, 1967 is concerned principally with problems of management succession and community convenience and needs. It contains no additional information on competitive factors which would change our conclusion that the proposed consolidation would have a serious adverse effect on competition.

Basis for Corporation approval, November 26, 1968

The Owosso Savings Bank, Owosso, Michigan (Applicant), an insured State nonmember bank with total deposits of $36 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to consolidate with The Old Corunna State Bank, Corunna, Michigan (Corunna Bank), a State bank, member of the Federal Reserve System, which has total deposits of $12 million. The banks would consolidate under the Applicant's charter and title and, as an incident thereto, Corunna Bank's sole office would become a branch of the Applicant, increasing the number of its offices to five.

Competition. Applicant's three branches are within 1-1/2 miles of the main office in Owosso (population 18,000). Corunna Bank is in the neighboring community of Corunna (population 3,150), 4 miles from Applicant. Owosso and Corunna are near the center of Shiawassee County, the relevant service area.

The consolidating banks have been commonly owned for more than 4 years and there is no competition between them. This situation has had no adverse effect on the other bank in Owosso (State Savings Bank) or any other bank in the service area. During the past 7-year period, State Savings Bank has grown at a substantially greater rate than has Corunna Bank and at a rate comparable to the Applicant. Corunna Bank's record shows the least growth and it appears to be the least effective as a competitor among the 10 banks in the area. The formal consolidation of the two banks would not materially change the existing competitive situation. Two large Flint banks, each exceeding $200 million in deposits, have a total of four branches in the service area. These banks are significant competitors in the county and the Owosso-Corunna area. The resulting bank would be of sufficient size to offer some of the services now available only at the large banks and competition should tend to be enhanced.

The Board of Directors is of the opinion that the effect of the proposed consolidation would not be substantially to lessen competition, tend to create a monopoly, nor would it in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. The factors of financial resources and future prospects are favorable with respect to the consolidating banks and are so projected for the resulting bank. Corunna Bank is presently operated by a former employee of the Applicant and its management lacks succession.

Convenience and Needs of the Community to be Served. The communities would benefit from the proposal as the larger resulting bank could better afford modernized quarters and installation of computer equipment and would provide broader services and a larger lending limit.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 62	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
American Bank & Trust Orangeburg, South Carolina	23,968	10	13
to merge with			
County National Bank Blackville	6,066	3	

Summary report by Attorney General, October 31, 1968

American Bank operates its main office and two branches in Orangeburg, five branches within a radius of 35 miles of Orangeburg, and a ninth office about 55 miles from Orangeburg. It has received approval to merge the Springfield State Bank, Springfield, South Carolina, which, when consummated, will add one office and deposits of $1.2 million. County National operates three offices, its main office in Blackville and a branch in both Williston and Barnwell, both within 10 miles of Blackville.

At the present time, the nearest offices of the merging banks are about 17 miles apart and two other banks operate in the intervening area. It, thus, appears that there is little, if any, competition between them now.

However, upon consummation of its merger with Springfield State Bank, American Bank will have an office 10 miles north of County National's offices in Blackville and Williston with no banks in the intervening area; the Bank of Williston (total deposits, $2.2 million), located in Williston, is the only other bank in this area. Thus, the proposed merger would eliminate competition between these banking offices and also eliminate an alternative banking facility for the residents of this area.

Basis for Corporation approval, November 26, 1968

American Bank & Trust, Orangeburg, South Carolina (Applicant), an insured State nonmember bank with total deposits of $21,491,700, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with County National Bank, Blackville, South Carolina (County Bank), which has total deposits of $5,416,000. The banks would merge under the charter and with the title of the Applicant and, as an incident to the merger, the three offices of County Bank would become branches of the Applicant, increasing the number of its offices to 13.

Competition. Applicant is headquartered in Orangeburg which has a population of 21,000. It operates two branches in Orangeburg, three others in Orangeburg County, three others in adjoining counties and the Lugoff branch, 55 miles to the north. Blackville is 25 miles southwest from Orangeburg and a population of 1,900. In addition to its main office, County Bank operates two branches each 10 miles away and forming a triangle to the west of Blackville. The merging banks' closest offices are 11 miles apart and there are no other banking offices between them. There is a slight overlapping of service areas but the banks derive little or no business from each other's immediate area. Competition between them is not substantial and there is no realistic potential for such competition.

The service area of the resulting bank will be Orangeburg, Calhoun and Barnwell Counties and portions of five counties adjacent to Orangeburg County. Three of the State's four largest banks have offices in this area. Including all banks in the resulting service area, the Applicant would be fifth largest, the same position it presently holds.

The Board of Directors is of the opinion that the effect of the proposed merger would not be substantially to lessen competition, tend to create a monopoly or, in any other manner, be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to both participating banks and are so projected for the resultant bank. Greater management depth and services would be provided the County Bank offices by the Applicant.

Convenience and Needs of the Community to be Served. The economic outlook for the service areas of both banks is favorable. Most significant of the changes to be offered by the resultant bank would be the greater lending capacity and trust department facilities which would be made available to customers at the County Bank offices. Other improved and more varied services would also be available.

On the basis of the above information, and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 63	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Keystone Bank Lower Burrell, Pennsylvania	27,030	7	9
to merge with			
Marimac Bank Scott Township	6,898	2	

Summary report by Attorney General, May 17, 1968

Both partners to this proposed merger are located in the Pittsburgh Standard Metropolitan Statistical Area (population 2.4 million), traditionally recognized as the steel-making center of the United States. It is, in addition, probably the most concentrated market among the major banking centers in the country.

Keystone Bank's head office is located approximately 25 miles northeast of Pittsburgh; all but one of its six branches are located in the eastern end of Pittsburgh or its eastern suburbs. Marimac Bank has its head office in a southwestern suburb of Pittsburgh and a single branch at the western border of that city, 2 miles from a branch of Keystone Bank, across the Monongahela River. Intervening between the closest two offices of the merging banks are three very large banks—Mellon National Bank, Pittsburgh National Bank, and West Pennsylvania National Bank. Two smaller banks also operate in this area.

There seems to be little, if any, direct competition between Keystone and Marimac. In the main they serve different areas, and both are, in any case, in direct competition with other much larger banks in the highly concentrated Pittsburgh market. In our view, this particular merger does not appear to present any significant competitive problems.

Basis for Corporation approval, November 26, 1968

Keystone Bank, Lower Burrell, Pennsylvania (Keystone), an insured State nonmember bank, with total deposits of about $24,972,000, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Marimac Bank, Scott Township (P. O. Pittsburgh), Pennsylvania (Marimac), which has total deposits of about $5,993,000. The bank would merge under the charter and with the title of Keystone and as an incident to the merger, the two offices of Marimac would become branches of Keystone, increasing the number of its offices to nine.

Competition. Keystone operates its main office in Lower Burrell, Pennsylvania, about 42 miles north of downtown Pittsburgh. It also operates six branches located at distances up to 68 miles from the main office. Marimac operates its main office in Scott Township, southwest of the City of Pittsburgh, and one branch in the Duquesne Heights section of that city. Pittsburgh had a 1960 population of about 604,000 and the Pittsburgh Standard Metropolitan

Statistical Area had approximately 2.4 million. There appears to be virtually no competition between the participating banks. Their closest offices are 2 miles apart, but Keystone's office is in downtown Pittsburgh's "golden triangle" while Marimac's office is in Duquesne Heights, which is situated on a high bluff overlooking downtown Pittsburgh and the Monongahela River which separates these two areas. Furthermore, there is a plethora of intervening offices of Pittsburgh's largest banks.

This merger would produce practically no effect on the already highly concentrated banking market. Three banks presently hold 87.1 percent of the deposits and 86.3 percent of the loans in the competitive area. Keystone has only a nominal amount of the deposits and loans in this area and this proposal will increase its percentage by an insignificant amount. The resulting bank would have less than one-half of one percent of the deposits and only 0.7 percent of the loans in the competitive area.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. Except for the rather low capital position of the participating banks and of the resulting bank, these factors are marginally acceptable.

Convenience and Needs of the Community to be Served. Past growth performance suggests that both banks are providing convenient banking alternatives to, and are desired by the communities in which they operate. This merger would permit continuation of, but not materially improve banking services at the present locations of Marimac.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the bank's application is warranted.

No. 64	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Security Bank & Trust Company of Bozeman Bozeman, Montana	21,434	1	1
to merge with			
Security Building, Inc. Bozeman	677		

Summary report by Attorney General, October 15, 1968

Security Bank & Trust Company of Bozeman ("Security Bank"), organized in 1919, operates a single office in Bozeman, Montana. Security Building, Inc. was formed for the sole purpose of building a facility to house Security Bank. Its only assets are the banking facility, which is valued at $574,000, and common stock in Security Bank valued at $100,000. Security Building, Inc. has never engaged in a banking business. Therefore, the proposed merger will have no effect upon competition.

Basis for Corporation approval, November 29, 1968

Security Bank & Trust Company of Bozeman, Bozeman, Montana (Security), with total resources of $21,434,400, has applied, pursuant to the provisions of Section 18(c)(1)(A) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge under its charter with Security Building, Inc., Bozeman, Montana (Building Corporation), an affiliated noninsured institution with no deposit liabilities which was organized for the sole purpose of holding title to the premises of Security. Essentially, the proposal involves transfer of ownership of bank premises to Security by means of merger in order to gain tax benefits. Appropriate ruling has been received from the Internal Revenue Service.

Competition. Security operates its sole office in Bozeman, Montana, where it is second largest among three banks. The largest bank is a subsidiary of a large holding company which controls numerous banks in the midwest with aggregate resources of about $3 billion. Building Corporation has never engaged in the business of banking, its sole purpose having been to hold title to the premises occupied by Security under a lease arrangement. The merger would not alter the size and number of banks in Bozeman, except for increases in fixed assets and capital of Security; consequently, there would be no resulting effect on competition.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are satisfactory with respect to the merging institutions and are so projected for the resulting bank.

Convenience and Needs of the Community to be Served. The transaction will not change the services and facilities presently provided by Security; thus, the convenience and needs of the community will be served as in the past.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 65	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Commercial Security Bank Ogden, Utah	80,037	4	7
to merge with			
Beehive State Bank Salt Lake City	21,129	3	

Summary report by Attorney General, November 25, 1968

Although the merging banks are located about 36 miles apart, there may be some competition between them. Commercial now derives about $1.5 million IPC time deposits and $1.7 million in loans from the Salt Lake City area. This competition would, of course, be eliminated by this merger.

Under Utah branch banking law, Commercial may establish a *de novo* branch in Salt Lake City, but Beehive may not branch *de novo* into Ogden. However, no bank headquartered outside Salt Lake County has ever branched *de novo* into the Salt Lake City. Considering the fact that Beehive is only seventh in size among Salt Lake City banks, together with the presence in Salt Lake City of the State's largest banks, including three with total deposits of over $150 million, it does not appear likely that the proposed merger will have a significantly adverse affect on competition.

Basis for Corporation approval, November 29, 1968

Commercial Security Bank, Ogden, Utah (Applicant), an insured State nonmember bank with total deposits of $70 million, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Beehive State Bank, Salt Lake City, Utah, (Beehive Bank), an insured State nonmember bank which has total deposits of $19 million, under the Applicant's charter and title and, incident thereto, to establish three branches at the existing locations of Beehive Bank. Applicant also seeks the Corporation's prior written consent to the retirement provisions of capital debentures which will be issued in connection with the merger.

Competition. The four offices of Applicant compete with four other banks in its service area of Ogden and vicinity, some 35 miles from Salt Lake City where Beehive Bank's main office has 10 bank competitors and about 70 miles from Beehive Bank's two branches. The merging banks serve separate geographic market areas intervened by numerous offices of other banks and each derives only a nominal amount of business from the other's service area. Competition between the two banks is minimal. Under applicable statutes, Beehive Bank could not branch *de novo* into Ogden but Applicant could establish a de novo branch in Salt Lake City. However, the latter possibility is a remote one because of the costs involved in relation to the negligible beginning deposit base. This is supported by the fact that no bank headquartered outside Salt Lake City has ever branched *de novo* into the City. Moreover, because of other banking factors relative to Beehive Bank, the possibility of significant competition developing between the two banks in the future is limited.

Applicant and the State's largest bank have about equal shares (about two-fifths each) of the deposits in Applicant's service area. In Beehive Bank's service area, the State's four largest banks hold more than four-fifths of the deposits, as compared to Beehive Bank's small share of 2.3 percent. In this area, Applicant in obtaining Beehive Bank's share of the market would be fifth largest in absolute size and could provide more effective competition than the small bank presently offers. The merger would bring the Applicant, already competing with the State's largest bank, into direct competition with the second, third and fourth largest. In the combined service area, the resulting bank would have less than one-tenth of the deposits, as compared to more than three-fourths held by the State's four largest banks.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to Applicant and are so projected for the resulting bank. With respect to Beehive Bank, the merger will substitute an active and aggressive management for one which lacks such capabilities in a highly competitive banking market. Additionally, the merger will strengthen the weakened capital position of Beehive Bank, resolve its asset problems, and permit economies of operations which will improve its earnings prospects.

Convenience and Needs of the Community to be Served. Except for a larger lending limit, the merger would not change to any significant degree the services which Applicant presently provides at its offices. In the service area of Beehive Bank, the resulting bank could provide a broader range of banking services on a larger scale through its greater resources, larger capital base, and improved management capabilities. The larger lending limit would enable the offices of Beehive Bank to meet demands of large commercial customers; also, the trust department facilities of Applicant would become available.

Based on the foregoing and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 66	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
The Pennsylvania Bank and Trust Company Titusville, Pennsylvania	75,747	9	13
to merge with			
Merchants Bank and Trust Company Meadville	33,718	4	

Summary report by Attorney General, November 21, 1968

Seven banks operate 13 offices in Crawford County. The proposed merger involves the two largest banks in terms of local operations within the county.

The head office and all branches of Merchants Bank are located in the central and western portion of Crawford County; Pennsylvania Bank, on the other hand, operates its head office in the extreme southeastern corner of Crawford County, and its branch offices are located in Erie County (to the north), Warren County (to the northeast) and Venango County (to the southeast). The nearest offices of the merging banks appear to be 28 miles apart, but there are no banks operating in the intervening area. Thus, there may be some limited amount of competition that would be eliminated by this merger.

There are a number of ways in which the proposed merger might affect potential competition. Pennsylvania law would permit either of the merging banks to establish *de novo* branches in the principal service areas of the other.

Therefore, the proposed merger would eliminate the possibility that Pennsylvania Bank might open a *de novo* office in Meadville or surrounding areas in central and western Crawford County. Three banks operate in Meadville: Merchants Bank, The Northwest Pennsylvania Bank and Trust Company (total deposits, $110.6 million), with two branch offices in Meadville, and First National Bank of Meadville (total deposits, $33 million), also with two offices in Meadville. Within western and central Crawford County, where Merchants operates all its offices, Merchants held the largest share, or 32 percent, of IPC deposits as of June 30, 1966.

Pennsylvania Bank is the largest bank headquartered in Crawford County and the seventh largest in the five-county area from which banks are permitted to branch into Crawford County under Pennsylvania law.

The proposed merger would also eliminate the possibility that Merchants Bank might enter (i) eastern Crawford County, where Pennsylvania Bank is one of the two banks operating offices; or (ii) Warren County, where Pennsylvania Bank has five offices and is one of two banks operating in the County. The other bank in eastern Crawford County is the Titusville Branch of Marine National Bank (total deposits at that office about $7 million). The other bank in Warren County is The Warren National Bank (total deposits, $72 million). In Warren County, as of June 30, 1966, Pennsylvania Bank had the smaller share, or 26 percent of IPC deposits, and the larger share, or 81 percent of such deposits in eastern Crawford County.

Basis for Corporation approval, November 29, 1968

The Pennsylvania Bank and Trust Company, Titusville, Pennsylvania (Applicant) an insured State nonmember bank with total deposits of $66,250,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge with Merchants Bank and Trust Company, Meadville, Pennsylvania (Merchants), an insured State nonmember bank which has total deposits of $30,750,000, under the charter and title of the Applicant and, incident thereto, to establish five branches at the four existing locations and one approved but unopened branch of Merchants.

Competition. The service area of Applicant is divided into three main parts: Warren County, served by branches at Warren, North Warren, Sugar Grove and Youngsville; the eastern part of Crawford County and the northeastern part of contiguous Venango County, served by the main office in Titusville (Crawford County) and the Pleasantville Branch in Venango County; and the southeastern part of Erie County, served by the Union City and Wattsburg Branches. The combined population of these service areas is estimated at 30,000. Titusville is about 100 miles north of Pittsburgh and 44 miles southeast of Erie. The overall service area is mixed between agricultural, industrial, natural gas and mining activities.

The service area of Merchants with an estimated population of 50,000 is centered around Meadville in the western section of Crawford County. It is an area of small diversified industry, agriculture (including dairying), natural gas production, and resort and recreational facilities. Meadville, the seat of Crawford County, is about 89 miles north of Pittsburgh, 39 miles south of Erie, and 28 miles west of Titusville.

The closest offices of the merging banks are their main offices and the area in between is sparsely populated. The service areas of Applicant and Merchants do not overlap and, consequently, there is no competition between them which would be eliminated. Potential competition—through establishment of de novo branches by either Applicant or Merchants in the service area of the other—is not a significant factor. The Meadville area already has an adequate number of banking offices; and Merchants' below-average capital position would discourage supervisory action as to any de novo branch application filed by it. Among 13 banks with offices located in the combined service areas, Applicant presently ranks fourth in terms of total local deposits, holding 14.2 percent of the total. Merchants ranks sixth with 6.5 percent. Following the merger, Applicant will hold 20.7 percent of total local deposits and rank slightly smaller than the second largest bank which holds 21.8 percent. The largest local bank holds 25.2 percent . Additionally, there is strong competition from branches of three Erie banks, one of which is substantially larger than Applicant will be following the merger. Not only are the locally based banks strong competitors, but also, large city banks in Pittsburgh, Erie and Cleveland actively solicit business in the area. The subject merger should tend to increase competition, especially in the area now served by Merchants.

The Board of Directors is of the opinion that the merger would not substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources and Future Prospects. These factors are favorable with respect to Applicant and are so projected for the resulting bank. With respect to Merchants, the merger will substitute an active and aggressive management for one which lacks such capabilities in a highly competitive banking market, including skilled specialists in various banking fields. Additionally, the merger will strengthen the weakened capital position of Merchants and permit economies of operation which will improve the declining earnings of its offices.

Convenience and Needs of the Community to be Served. As compared to Applicant and, more particularly, Merchants, the resulting bank could provide a broader range of banking services on a larger scale through its greater resources, larger capital, and improved management capabilities. This would be especially true in the service area of Merchants where the merger will introduce a bank better able to meet the expanding credit needs of a growing community. Also, the resulting bank can provide specialized banking services in various banking fields, including additional and improved trust services, more effective use of computerization, farm management services, and credit specialists.

Based on the foregoing, and other information available to the Corporation, the Board of Directors has concluded that approval of the application is warranted.

No. 67	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Eastern Trust and Banking Company Bangor, Maine	33,353	4	4
to merge with			
Kenduskeag Banking Company Bangor	160	-	

Summary report by Attorney General, October 16, 1968

Kenduskeag Banking Company ("Kenduskeag") was organized June, 1968, solely as a means of making Eastern Trust a wholly owned subsidiary of a one-bank holding company, Eastern Trust Financial Associates. Kenduskeag has not, and was never intended to conduct a commercial banking business.

The proposed merger transaction is merely part of a corporate reorganization and will have no effect on competition.

Basis for Corporation approval, November 29, 1968

Eastern Trust and Banking Company, Bangor, Maine (Eastern Bank), an insured State nonmember bank with total deposits of $28 million, has applied, pursuant to the provisions of Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge under its charter and title with Kenduskeag Banking Company (Kenduskeag Bank), Bangor, Maine, a non-operating State noninsured bank. The resulting bank would operate in the same manner and in the same locations as Applicant is now operating.

The reason for organizing Kenduskeag Bank and this proposal is to facilitate the transfer of 100 percent of Eastern Bank stock to a bank holding company to be formed with the title of Eastern Trust Financial Associates (Associates). After this has been accomplished, Kenduskeag Bank would cease to exist as a corporate entity. Associates has filed an application with the Board of Governors of the Federal Reserve System to become a registered bank holding company. The proposed merger would have no effect on competition at present.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that approval of the application for consent to merge is warranted.

No. 68	Resources (in thousands of dollars)	Banking Offices	
		In operation	To be operated
Bank of the West Bellevue, Washington	16,954	4	6
to merge with			
Bank of Kent Kent	6,340	2	

Summary report by Attorney General, October 3, 1968

The communities of Bellevue (population 27,000) and Kent (population 14,000) are located in the Seattle SMSA, across Lake Washington from Seattle. The economy of the area, which has been growing rapidly, is residential and industrial.

The nearest offices of the applicant banks are 9 miles apart; four banks, each with total deposits over $100 million, and several smaller banks, operate offices in the intervening area. Thus, there appears to be little, if any, direct competition which will be eliminated by this merger.

Although Washington law forbids *de novo* branching by a bank into a municipality in which another bank maintains an office, Kent Bank could legally branch into some areas now served by branches of West Bank. However, given the size of Kent Bank and the degree of existing competition in these areas from some of Seattle's largest banks, we do not believe that this merger would eliminate a significant potential competitor.

Basis for Corporation approval, December 31, 1968

Bank of the West, Bellevue, Washington (Applicant), an insured State nonmember bank with total deposits of $14,373,900, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior approval to merge with Bank of Kent, Kent, Washington, (Kent), which has total deposits of $5,497,400. The banks would merge under the charter and with the title of the Applicant and, as an incident to the merger, the two offices of Kent would become branches of the Applicant. Kent also has permission to establish a third office and Applicant has requested that it be permitted to establish this *de novo* branch which would increase the number of its offices to seven.

Competition. Bellevue (population 22,000) is located 10 miles east from downtown Seattle. Kent (population 14,000) is located south of Bellevue and the main offices of the participating banks are 18 miles apart. The closest offices of the participating banks are 9 miles apart. Both banks are relatively new institutions; Kent opened in 1962 and Applicant in 1965. They primarily serve separate although contiguous areas. Several offices of other banks intervene their locations, and competition between them is minimal.

Several offices of some of the largest banks headquartered in the State are located in each merging bank's service area. The largest commercial bank in the State (total deposits over $1.5 billion) holds the predominant position in the resulting bank's trade area with 11 of the 34 offices and 38 percent of total deposits. There is a total of eight commercial banks operating in the resulting bank's trade area and three of the other six would hold a greater percentage of total deposits than the resulting bank. Of the other three commercial banks with less than the resulting bank in its trade area, two have total deposits greatly in excess of the resulting bank and the other is only slightly smaller than the resulting bank based on total deposits. The mutual savings bank operating in the area has local deposits of more than twice the deposits of the resulting bank. The merger would result in a bank with but 8 percent of total deposits in its trade area and would have no adverse effect on competition.

The Board of Directors is of the opinion that the proposed merger would not substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources and Prospects. These factors have been favorable with respect to the merging banks and are so projected for the resulting bank. Future deposit growth prospects for Kent, as a part of Applicant, would be enhanced under the latter's more aggressive management.

Convenience and Needs of the Community to be Served. The increased lending limit would be of benefit to customers of both merging banks which are located in economically expanding areas. The resulting bank will offer, to a greater extent, complete mortgage loan services demanded by the heavy residential building activity in both service areas. It is planned to extend the daily hours of the branches in Kent for the convenience of the commuter population. Neither of the banks offers trust services at present but management of Applicant has taken the initial steps to acquire the necessary approvals to engage in fiduciary activity.

On the basis of the above information and other information available to the Corporation, the Board of Directors has concluded that the approval of the bank's application is warranted.

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1 Bank of America operated 945 offices in California as of December 31, 1967. FDIC statistics do not include offices in foreign countries.

2 Resources and office of Moorpark Branch of First Western Bank and Trust Company to be acquired by Bank of A. Levy.

3 Resources and office of New York Branch of Bank Leumi.

4 Resources and office of State Capital Branch of Bank of Trade of San Francisco.

5 Resources and office of Newport News Branch of The Bank of Virginia.

LEGISLATION AND REGULATIONS

PART THREE

FEDERAL BANKING LEGISLATION—1968

Public Law 90-389
90th Congress, H. R. 15345
July 7, 1968

An Act

To provide security measures for banks and other financial institutions, and to provide for the appointment of the Federal Savings and Loan Insurance Corporation as receiver.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bank Protection Act of 1968"

SEC. 2. As used in this Act the term "Federal supervisory agency" means—

(1) The Comptroller of the Currency with respect to national banks and district banks,

(2) The Board of Governors of the Federal Reserve System with respect to Federal Reserve banks and State banks which are members of the Federal Reserve System,

(3) The Federal Deposit Insurance Corporation with respect to State banks which are not members of the Federal Reserve System but the deposits of which are insured by the Federal Deposit Insurance Corporation, and

(4) The Federal Home Loan Bank Board with respect to Federal savings and loan associations, and institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

SEC 3. (a) Within six months from the date of this Act, each Federal supervisory agency shall promulgate rules establishing minimum standards with which each bank or savings and loan association must comply with respect to the installation, maintenance, and operation of security devices and procedures, reasonable in cost, to discourage robberies, burglaries, and larcenies and to assist in the identification and apprehension of persons who commit such acts.

(b) The rules shall establish the time limits within which banks and savings and loan associations shall comply with the standards and shall require the submission of periodic reports with respect to the installation, maintenance, and operation of security devices and procedures.

SEC. 4. The Federal supervisory agencies shall consult with

(1) insurers furnishing insurance protection against losses resulting from robberies, burglaries, and larcenies committed against financial institutions referred to in section 2, and

(2) State agencies having supervisory or regulatory responsibilities with respect to such insurers

to determine the feasibility and desirability of premium rate differentials based on the installation, maintenance, and operation of security devices and procedures. The Federal supervisory agencies shall report to the Congress the results of their consultations pursuant to this section not later than two years after the date of enactment of this Act.

SEC. 5. A bank or savings and loan association which violates a rule promulgated pursuant to this Act shall be subject to a civil penalty which shall not exceed $100 for each day of the violation.

* *

Approved July 7, 1968.

Public Law 90-437
90th Congress, S. 1299
July 29, 1968

An Act

To amend the Securities Exchange Act of 1934 to permit regulation of the amount of credit that may be extended and maintained with respect to securities that are not registered on a national securities exchange.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Securities Exchange Act of 1934 (15 U.S.C. 78g) is amended—

(1) by striking out "registered on a national securities exchange" in subsection (a);

(2) by amending subsection (c) to read as follows:

"(c) It shall be unlawful for any member of a national securities exchange or any broker or dealer, directly or indirectly, to extend or maintain credit or arrange for the extension or maintenance of credit to or for any customer—

"(1) on any security (other than an exempted security), in contravention of the rules and regulations which the Board of Governors of the Federal Reserve System shall prescribe under subsections (a) and (b) of this section;

"(2) without collateral or on any collateral other than securities, except in accordance with such rules and regulations as the Board of Governors of the Federal Reserve System may prescribe (A) to permit under specified conditions and for a limited period any such member, broker, or dealer to maintain a credit initially extended in conformity with the rules and regulations of the Board of Governors of the Federal Reserve System, and (B) to permit the extension or maintenance of credit in cases where the extension or maintenance of credit is not for the purpose of purchasing or carrying securities or of evading or circumventing the provisions of paragraph (1) of this subsection."

(3) by striking out "registered on a national securities exchange" in the first sentence of subsection (d) and "registered on national securities exchanges" in the second sentence of that subsection.

Approved July 29, 1968.

Public Law 90-439
90th Congress, S. 510
July 29, 1968

An Act

Providing for full disclosure of corporate equity ownership of securities under the Securities Exchange Act of 1934.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12(i) of the Securities

Exchange Act of 1934 is amended by striking out "sections 12, 13, 14(a), 14(c), and 16" and inserting in lieu thereof "sections 12, 13, 14(a), 14(c), 14(d), 14(f), and 16"

SEC. 2. Section 13 of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following new subsections:

"(d) (1) Any person who, after acquiring directly or indirectly the beneficial ownership of any equity security of a class which is registered pursuant to section 12 of this title or any equity security issued by a closed-end investment company registered under the Investment Company Act of 1940, is directly or indirectly the beneficial owner of more than 10 per centum of such class shall, within ten days after such acquisition, send to the issuer of the security at its principal executive office, by registered or certified mail, send to each exchange where the security is traded, and file with the Commission, a statement containing such of the following information, and such additional information, as the Commission may by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors—

"(A) the background and identity of all persons by whom or on whose behalf the purchases have been or are to be effected;

"(B) the source and amount of the funds or other consideration used or to be used in making the purchases, and if any part of the purchase price or proposed purchase price is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading such security, a description of the transaction and the names of the parties thereto, except that where a source of funds is a loan made in the ordinary course of business by a bank, as defined in section 3(a) (6) of this title, if the person filing such statement so requests, the name of the bank shall not be made available to the public;

"(C) if the purpose of the purchases or prospective purchases is to acquire control of the business of the issuer of the securities, any plans or proposals which such persons may have to liquidate such issuer, to sell its assets to or merge it with any other persons, or to make any other major change in its business or corporate structure;

"(D) the number of shares of such security which are beneficially owned, and the number of shares concerning which there is a right to acquire, directly or indirectly, by (i) such person, and (ii) by each associate of such person, giving the name and address of each such associate; and

"(E) information as to any contracts, arrangements, or understandings with any person with respect to any securities of the issuer, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or gauranties of profits, division of losses or profits, or the giving or withholding of proxies, naming the persons with whom such contracts, arrangements, or understandings have been entered into, and giving the details thereof.

"(2) If any material change occurs in the facts set forth in the statements to the issuer and the exchange, and in the statement filed with the Commission, an amendment shall be transmitted to the issuer and the exchange and shall be filed with the Commission, in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"(3) When two or more persons act as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of an issuer, such syndicate or group shall be deemed a 'person' for the purposes of this subsection.

"(4) In determining, for purposes of this subsection, any percentage of a class of any security, such class shall be deemed to consist of the amount of the outstanding securities of such class, exclusive of any securities of such class held by or for the account of the issuer or a subsidiary of the issuer.

"(5) The provisions of this subsection shall not apply to—

"(A) any acquisition or offer to acquire securities made or proposed to be made by means of a registration statement under the Securities Act of 1933;

"(B) any acquisition of the beneficial ownership of a security which, together with all other acquisitions by the same person of securities of the same class during the preceding twelve months, does not exceed 2 per centum of that class;

"(C) any acquisition of an equity security by the issuer of such security;

"(D) any acquisition or proposed acquisition of a security which the Commission, by rules or regulations or by order, shall exempt from the provisions of this subsection as not entered into for the purpose of, and not having the effect of, changing or influencing the control of the issuer or otherwise as not comprehended within the purposes of this subsection.

"(e) (1) It shall be unlawful for an issuer which has a class of equity securities registered pursuant to section 12 of this title, or which is a closed-end investment company registered under the Investment Company Act of 1940, to purchase any equity security issued by it if such purchase is in contravention of such rules and regulations as the Commission, in the public interest or for the protection of investors, may adopt (A) to define acts and practices which are fraudulent, deceptive, or manipulative, and (B) to prescribe means reasonably designed to prevent such acts and practices. Such rules and regulations may require such issuer to provide holders of equity securities of such class with such information relating to the reasons for such purchase, the source of funds, the number of shares to be purchased, the price to be paid for such securities, the method of purchase, and such additional information, as the Commission deems necessary or appropriate in the public interest or for the protection of investors, or which the Commission deems to be material to a determination whether such security should be sold.

"(2) For the purpose of this subsection, a purchase by or for the issuer or any person controlling, controlled by, or under common control with the issuer, or a purchase subject to control of the issuer or any such person, shall be deemed to be a purchase by the issuer."

SEC. 3. Section 14 of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following new subsections:

"(d) (1) It shall be unlawful for any person, directly or indirectly, by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, to make a tender offer for, or a request or invitation for tenders of, any class of any equity which is registered pursuant to section 12 of this title, or any equity security issued by a closed-end investment company registered under the Investment Company Act of 1940, if, after consummation thereof, such person would, directly or indirectly, be the beneficial owner of more than 10 per centum of such class, unless at the time copies of the offer or request or invitation are first published or sent or given to security holders such person has filed with the Commission a statement containing such of the information specified in section 13(d) of this title, and such additional information as the Commission may by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors. All requests or invitations for tenders or advertisements making a tender offer or requesting or inviting tenders of such a security shall be filed as a part of such statement and shall contain such of the information contained in such statement as the Commission may by rules and regulations prescribe. Copies of any additional material soliciting or requesting such tender offers subsequent to the initial solicitation or request shall contain such information as the Commission may by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors, and shall be filed with the Commission not later than the time copies of such material are first published or sent or given to security holders. Copies of all statements, in the form in which such material is furnished to security holders and the Commission, shall be sent to the issuer not later than the date such material is first published or sent or given to any security holders.

"(2) When two or more persons act as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of an issuer, such syndicate or group shall be deemed a 'person' for purposes of this subsection.

"(3) In determining, for purposes of this subsection, any percentage of a class of any security, such class shall be deemed to consist of the amount of the outstanding securities of such class, exclusive of any securities of such class held by or for the account of the issuer or a subsidiary of the issuer.

"(4) Any solicitation or recommendation to the holders of such a security to accept or reject a tender offer or request or invitation for tenders shall be made in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"(5) Securities deposited pursuant to a tender offer or request or invitation for tenders may be withdrawn by or on behalf of the depositor at any time until the expiration of seven days after the time definitive copies of the offer or request or invitation are first published or sent or given to security holders, and at any time after sixty days from the date of the original tender offer or request or invitation, except as the Commission may otherwise prescribe by rules, regulations, or order as necessary or appropriate in the public interest or for the protection of investors.

"(6) Where any person makes a tender offer, or request or invitation for tenders, for less than all the outstanding equity securities of a class, and where a greater number of securities is deposited pursuant thereto within ten days after copies of the offer or request or invitation are first published or sent or given to security holders than such person is bound or willing to take up and pay for, the securities taken up shall be taken up as nearly as may be pro rata, disregarding fractions, according to the number of securities deposited by each depositor. The provisions of this subsection shall also apply to securities deposited within ten days after notice of an increase in the consideration offered to security holders, as described in paragraph (7), is first published or sent or given to security holders.

"(7) Where any person varies the terms of a tender offer or request or invitation for tenders before the expiration thereof by increasing the consideration offered to holders of such securities, such person shall pay the increased consideration to each security holder whose securities are taken up and paid for pursuant to the tender offer or request or invitation for tenders whether or not such securities have been taken up by such person before the variation of the tender offer or request or invitation.

"(8) The provisions of this subsection shall not apply to any offer for, or request or invitation for tenders of, any security—

"(A) proposed to be made by means of a registration statement under the Securities Act of 1933;

"(B) if the acquisition of such security, together with all other acquisitions by the same person of securities of the same class during the preceding twelve months, would not exceed 2 per centum of that class;

"(C) by the issuer of such security; or

"(D) which the Commission, by rules or regulations or by order, shall exempt from the provisions of this subsection as not entered into for the purpose of, and not having the effect of, changing or influencing the control of the issuer or otherwise as not comprehended within the purposes of this subsection.

"(e) It shall be unlawful for any person to make any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or to engage in any fraudulent, deceptive, or manipulative acts or practices, in connection with any tender offer or request or invitation for tenders, or any solicitation of security holders in opposition to or in favor of any such offer, request, or invitation.

"(f) If, pursuant to any arrangement or understanding with the person or persons acquiring securities in a transaction subject to subsection (d) of this section or subsection (d) of section 13 of this title, any persons are to be elected or designated as directors of the issuer, otherwise than at a meeting of security holders, and the persons so elected or designated will constitute a majority of the directors of the issuer, then, prior to the time any such person takes office as a director, and in accordance with rules and regulations prescribed by the Commission, the issuer shall file with the Commission, and transmit to all holders of record of securities of the issuer who would be entitled to vote at a meeting for election of directors, information substantially equivalent to the information which would be required by subsection (a) or (c) of this section to be transmitted if such person or persons were nominees for election as directors at a meeting of such security holders."

Approved July 29, 1968.

Public Law 90-448
90th Congress, S. 3497
August 1, 1968

An Act

To assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Housing and Urban Development Act of 1968"

* * *

SEC. 416.* * *

(b) The first paragraph of section 24 of the Federal Reserve Act is amended by striking out all that follows "national banking association" in the fourth sentence and adding "may make loans or purchase obligations for land development which are secured by mortgages insured under title X of the

National Housing Act or guaranteed under title IV of the Housing and Urban Development Act of 1968".

* * *

SEC. 804.* * *

(c) Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following:

"Ninth. To issue and sell securities which are guaranteed pursuant to section 306(g) of the National Housing Act."

(d) The first proviso of section 21(a) (1) of the Banking Act of 1933 (12 U.S.C. 378(a) (1)) is amended by inserting ", or issuing securities," immediately following "investment securities".

* * *

SEC. 807.* * *

(j) Section 5136 of the Revised Statutes is amended by inserting "or the Government National Mortgage Association" immediately following "Federal National Mortgage Association"

* * *

SEC. 911. Paragraph "Seventh" of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following: "Notwithstanding any other provision in this paragraph, the association may purchase for its own account shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and may make investments in a partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act."

* * *

SEC. 1705. * * *

(h) The last sentence of paragraph "Seventh" of section 5136 of the Revised Statutes (12 U.S.C. 24) (appearing immediately before the sentence added by section 911 of this Act) is amended by inserting after "the Asian Development Bank" the following: ", or obligations issued by any State or political subdivision or any agency of a State or political subdivision for housing, university, or dormitory purposes,".

* * *

SEC. 1718. Section 24 of the Federal Reserve Act, as amended (12 U.S.C. 371), is amended—

(1) by striking out "twenty-four months", wherever it appears in the third paragraph and inserting in lieu thereof "thirty-six months";

(2) by striking out "when the entire amount of such obligation is sold to the association", wherever it appears in the first and second paragraphs, and inserting in lieu thereof "in whole or in part and at any time or times prior to the maturity of such obligation"; and

(3) by striking out the last paragraph and inserting in lieu thereof the following:

"Loans made to any borrower (i) where the association looks for repayment by relying primarily on the borrower's general credit standing and forecast of income, with or without other security, or (ii) where the association relies on other security as collateral for the loans (including but not limited to a guaranty of a third party), and where, in either case described in clause (i) or (ii) above, the association wishes to take a mortgage, deed of trust, or other instrument upon real estate (whether or not constituting a first lien) as a precaution against contingencies, such loans shall not be considered as real estate loans within the meaning of this section but shall be classed as ordinary non-real-estate loans."

* * *

Approved August 1, 1968.

Public Law 90-505
90th Congress, S. 3133
September 21, 1968

An Act

To extend for one year the authority to limit the rates of interest or dividends payable on time and savings deposits and accounts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 7 of the Act of September 21, 1966 (Public Law 89-597; 80 Stat. 823) is amended to read:

"SEC. 7. Effective September 22, 1969—

"(1) so much of section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) as precedes the third sentence thereof is amended to read as it would without the amendment made by section 2(c) of this Act;

"(2) the second and third sentences of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) are amended to read as they would without the amendment made by section 3 of this Act; and

"(3) section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is repealed."

SEC. 2. (a) The first sentence of section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) is amended by changing "limit by regulation" to read "prescribe rules governing the payment and advertisement of interest on deposits, including limitations on".

(b) The second sentence of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by changing "limit by regulation" to read "prescribe rules governing the payment and advertisement of interest on deposits, including limitations on".

(c) The first sentence of section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended by changing "limit by regulation" to read "prescribe rules governing the payment and advertisement of interest or dividends on deposits, shares, or withdrawable accounts, including limitations on".

SEC. 3. (a) The first sentence of the eighth full paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 347) is amended by inserting ", or secured by such obligations as are eligible for purchase under section 14(b) of this Act" immediately before the period at the end thereof.

(b) The first sentence of the last full paragraph of such section (12 U.S.C. 347c) is amended by inserting "or by any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States" immediately before the period at the end thereof.

* * *

Approved September 21, 1968.

RULES AND REGULATIONS OF THE CORPORATION—1968

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 330—CLARIFICATION AND DEFINITION OF DEPOSIT INSURANCE COVERAGE

Notification of Depositors

Effective January 16, 1968 §330.14 of the rules and regulations of the Federal Deposit Insurance Corporation (12 CFR Part 330) is amended to read as follows:

§*330.14 Notification of depositors.*

Each insured bank is required to provide notice of these revisions to the Rules and Regulations for Clarification and Definition of Insurance Coverage of Deposit Accounts, Part 330, not later than April 1, 1968, to the depositors of each deposit account which had a balance in excess of $5,000 on any date selected by the bank between September 1, 1967, and April 1, 1968. Such notice shall consist of mailing to such depositors at their last known address as shown on the records of the insured bank, a question and answer brochure on insurance of deposit accounts prepared by the Federal Deposit Insurance Corporation. Such brochure shall also be made available to the public at each teller's station or window where deposits are normally received and at new account stations of an insured bank. Additional explanatory materials may also be sent to depositors at the option of the insured bank.

[F.R. Doc. 68-407; Filed, Jan. 15, 1968; 8:49 a.m.]

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 329—PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED NONMEMBER BANKS

Foreign Time Deposits

Effective January 22, 1968, paragraph (a) of § 329.3 is amended to read as follows:

§ *329.3 Maximum rate of interest on time and savings deposits.*

(a) *Maximum rate prescribed from time to time.* Except in accordance with the provisions of this part, no insured nonmember bank shall pay interest on any time deposit or savings deposit in any manner, directly or indirectly, or by any method, practice, or device whatsoever. No insured nonmember bank shall pay interest on any time deposit or savings deposit at a rate in excess of such applicable maximum rate as the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe from time to time; and any rate or rates which may be so prescribed by the Board will be set forth in supplements to this part (see § 329.6), which will be issued in advance of the date upon which such rate or rates become effective. Under explicit provisions of the Federal Deposit Insurance Act, until October 15, 1968, the provisions of this paragraph do not apply to the rate of interest that may be paid by insured nonmember banks on time deposits of foreign governments, monetary and financial authorities of foreign governments when acting as such, or international financial institutions of which the United States is a member. The provisions of this paragraph shall likewise not apply to the rate of interest that may be paid by an insured nonmember bank after October 15, 1968, on such a deposit which is received, renewed, or extended, in the ordinary course of business and for a specified period not exceeding 2 years, prior to the expiration of the authority conferred upon the Board by the amendments to section 18(g) of the Federal Deposit Insurance Act enacted September 21, 1966.

* * * * * *

[F.R. Doc. 68-980; Filed, Jan. 25, 1968; 8:45 a.m.]

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 329—PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED NONMEMBER BANKS

Maximum Rates of Interest Payable on Time and Savings Deposits by Insured Nonmember Banks

Effective April 19, 1968, § 329.6 of the rules and regulations of the Federal Deposit Insurance Corporation (12 CFR § 329.6) is amended to read as follows:

§329.6 *Maximum rates of interest payable on time and savings deposits by insured nonmember banks.*

Pursuant to the provisions of section 18 of the Federal Deposit Insurânce Act and §329.3, the Board of Directors of the Federal Deposit Insurance Corporation hereby prescribes the following maximum rates[1] of interest payable by insured nonmember banks on time and savings deposits:

(a) *Single maturity time deposits.*—(1) *Deposits of $100,000 or more.* No insured nonmember bank shall pay interest on any single maturity time deposit of $100,000 or more at a rate in excess of the applicable rate under the following schedule:

Maturity	*Maximum percent per annum*
30-59 days	5½
60-89 days	5¾
90-179 days	6
180 days or more	6¼

(2) *Deposits of less than $100,000.* No insured nonmember bank shall pay interest at a rate in excess of 5 percent per annum on any single maturity time deposit of less than $100,000.

(b) *Multiple maturity time deposits*—(1) *Deposits payable at intervals of at least 90 days.* No insured nonmember bank shall pay interest at a rate in excess of 5 percent per annum on a multiple maturity time deposit that is payable only 90 days or more after the date of deposit or 90 days or more after the last preceding date on which it might have been paid.

[1]The maximum rates of interest payable by insured nonmember banks on time and savings deposits as prescribed herein are not applicable to any deposit which is payable only at an office of an insured nonmember bank located outside of the States of the United States and the District of Columbia.

(2) *Deposits payable at intervals of less than 90 days.* No insured nonmember bank shall pay interest at a rate in excess of 4 percent per annum on a multiple maturity time deposit that is payable less than 90 days after the date of deposit or less than 90 days, but at least 30 days, after the last preceding date on which it might have been paid.

(c) *Savings deposits.* No insured nonmember bank shall pay interest at a rate in excess of 4 percent per annum on any savings deposit.

In calculating the rate of interest paid, the effects of compounding of interest may be disregarded. An insured nonmember bank that elects to compound interest—either at the maximum permissible rate or at a lower rate—shall state the basis of compounding (such as semiannually, quarterly, monthly, weekly, daily, or continuously) in every advertisement, announcement, solicitation, and agreement relating to the rate of interest paid on a deposit.

[F.R. Doc. 68-4932; Filed, Apr. 24, 1968; 8:46 a.m.]

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 330—CLARIFICATION AND DEFINITION OF DEPOSIT INSURANCE COVERAGE

Qualifying Joint Accounts

Effective June 8, 1968, §330.9(b) of the rules and regulations of the Federal Deposit Insurance Corporation (12 CFR Part 330) is amended to read as follows:

§*330.9 Joint accounts.*

* * * * *

(b) *Qualifying joint accounts.* A joint deposit account shall be deemed to exist, for purposes of insurance of accounts, only if each coowner has personally executed a deposit account signature card and possesses withdrawal rights. The restrictions of this paragraph shall not apply to coowners of a time certificate of deposit or to any deposit obligation evidenced by a negotiable instrument, but such a deposit must in fact be jointly owned.

* * * * *

[F.R. Doc. 68-6884; Filed, June 7, 1968; 12:00 p.m.]

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 329—PAYMENT OF INTEREST ON DEPOSITS

Computation of Interest

§*329.101 Payment of interest on basis that 360 days equals 1 year.*

(a) The question has arisen whether an insured nonmember bank may pay interest on 1-year deposits on the basis that 360 days entitles a depositor to a full year's interest and add interest at the maximum permissible rate on the type of deposit in question for the remaining days (5 or 6) of the calendar year.

Under such a practice, the depositor would, in effect, receive 370 days of interest on the deposit in 1 year.

(b) The Board of Directors considers that practices of this type violate Part 329 of the rules and regulations of the Federal Deposit Insurance Corporation. Such regulation does not authorize a bank to use "grace periods" in computing interest on time deposits at the maximum permissible rate. In other words, the terms of Part 329 are not designed to permit a bank to pay interest at the maximum rate for more days than funds are on deposit.

(c) Nevertheless, the Board of Directors has concluded that no useful purpose would be served by preventing banks from computing interest, as a matter of mathematical simplicity, on the basis that 30 days equals 1 month or one-twelfth of a year, 90 days equals 3 months or one-quarter of a year, 180 days equals 6 months or one-half of a year, or even that 360 days equals 1 year. Although it is recognized that a bank which computes interest on such a basis will be paying interest at an effective annual rate of interest slightly in excess of the applicable maximum simple interest rate compounded continuously for the number of days the funds are on deposit, the Corporation will disregard this insignificant violation of its regulation.

(d) However, a bank that does compute interest on the basis of 360 days equals 1 year, or the like, may not add any interest computed on a daily basis. The mathematical simplicity argument supporting disregard of the violation that arises from a 360-days-equals-1-year basis falls with respect to such a bank.

(e) The Board of Directors also considers that it would be inappropriate for a bank to advertise an effective annual rate of interest on deposits in excess of the rate that results from computing interest at the maximum permissible simple interest rate on the type of deposit involved, compounded continuously for a full year. This means, for example, that an insured nonmember bank may not advertise an effective annual rate of interest in excess of 5.13 percent on a 5 percent multiple maturity time deposit.

[F.R. Doc. 68-9401; Filed, Aug. 6, 1968; 8:47 a.m.]

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 335—SECURITIES OF INSURED NONMEMBER STATE BANKS

Miscellaneous Amendments

Effective August 8, 1968, the following miscellaneous amendments to Part 335 were adopted:

1. Section 335.4 is amended to change its title and to revise paragraph (g), as set forth below:

§ 335.4 Registration statements and reports.

* * * * *

(g) *Current reports and/or statements.* (1) Every registrant bank shall file a current report in conformity with the requirements of Form F-3 within 10 days after the close of any month during which any of the events specified in that form occurs, unless substantially the same information as required by that form has been previously reported by the bank.

(2) Any person who, after acquiring, subsequent to July 29, 1968, directly or indirectly the beneficial ownership of any equity security of a bank, of a class

which is registered pursuant to section 12 of the Act, is directly or indirectly the beneficial owner of more than 10 percent of such class shall, within 10 days after such acquisition, send to the bank at its principal executive office, by registered or certified mail, send to each exchange where the security is traded, and file with the Corporation a statement containing the information required by Form F-11.

(3) If any material change occurs in the facts set forth in the statement required by subparagraph (2) of this paragraph, the person who filed such statement shall promptly file with the Corporation and send to the bank and the exchange an amendment disclosing such change.

(4) When a person other than the issuing bank or any person described in section 13(e) (2) of the Act makes a tender offer for, or request or invitation for tenders of, any class of equity securities of a bank subject to section 13(e) of the Act, and such person has filed a statement with the Corporation pursuant to §335.5(l) and the issuing bank has received notice thereof, such issuing bank or any person described in section 13(e) (2) of the Act shall not thereafter, during the period such tender offer, request or invitation continues, purchase any equity securities of the issuing bank unless:

(i) The issuing bank or any person described in section 13(e) (2) of the Act has filed with the Corporation a statement containing the information specified below with respect to proposed purchases:

(a) The title and amount of securities to be purchased, the names of the persons or classes of persons from whom, and the market in which, the securities are to be purchased, including the name of any exchange on which the purchase is to be made;

(b) The purpose for which the purchase is to be made and any plan or proposal for the disposition of such securities; and

(c) The source and amount of funds or other consideration used or to be used in making the purchases, and if any part of the purchase price or proposed purchase price is represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading the securities, a description of the transaction and the names of the parties thereto.

(ii) The issuing bank or any person described in section 13(e) (2) of the Act has at any time within the past 6 months sent or given to the equity security holders of the issuing bank the substance of the information contained in the statement required by subparagraph (i): *Provided, however,* That any issuing bank or any person described in section 13(e) (2) of the Act making such purchases which commenced prior to August 8, 1968, shall, if such purchases continue after such date, comply with the provisions of this subparagraph on or before August 20, 1968.

* * * * *

2. Section 335.5 is amended to change its title and to add paragraphs (l), (m), and (n), as set forth below:

§335.5 Proxy statements and other solicitations under section 14 of the Act.

* * * * *

(l) *Invitations for tenders.* (1) No person, directly or indirectly, by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, shall make a tender offer for, or a request or invitation for tenders of, any class of any equity security, which is registered pursuant to section 12 of the Act, of a bank if, after consummation thereof, such person would, directly or indirectly, be the beneficial owner of more than 10 percent of such class, unless, at the time copies of the offer or request or invitation are first published or sent or given to security holders, such person has filed with the Corporation a statement containing the information and exhibits required by Form F-11: *Provided, however,* That any person making a tender offer for or a request or invitation for tenders which commenced prior to August 8, 1968, shall, if such offer, request or invitation continues after such date, file the statement required by this paragraph on or before August 20, 1968.

(2) If any material change occurs in the facts set forth in the statement required by subparagraph (1) of this paragraph, the person who filed such statement shall promptly file with the Corporation an amendment disclosing such change.

(3) All requests or invitations for tenders or advertisements making a tender offer or requesting or inviting tenders shall contain the names of the persons making such requests, invitations, or advertisements and the information required by Items 2 (a), (c) and (o) (1), 3, 4, 5, and 6 of Form F-11, or a fair and adequate summary thereof, and shall be filed with the Corporation as part of the statement required by subparagraph (1) of this paragraph: *Provided, however,* That the information required by Item 2(e) (1) shall include only convictions involving dishonesty or breach of trust.

(4) Any additional material soliciting or requesting such tender offers subsequent to the initial solicitation or request shall contain the names of the persons making such solicitation or request and the information required by Form F-11 as specified in subparagraph (3) of this paragraph, or a fair and adequate summary thereof: *Provided, however,* That such material may omit any of such information previously furnished to the persons solicited or requested for tender offers. Copies of such additional material soliciting or requesting such tender offers shall be filed with the Corporation not later than the time copies of such material are first published or sent or given to security holders.

(m) *Recommendations as to tender offers.* (1) No solicitation or recommendation to the holders of a security to accept or reject a tender offer or request or invitation for tenders subject to section 14(d) of the Act shall be made unless, at the time copies of the solicitation or recommendation are first published or sent or given to holders of the security, the person making such solicitation or recommendation has filed with the Corporation a statement containing the information specified by Form F-12: *Provided, however,* That this paragraph shall not apply to a person required by §335.5(l) to file a statement, or a person, other than the bank or the management of the bank, who makes no written solicitations or recommendations other than solicitations or recommendations copies of which have otherwise been filed with the Corporation: *And provided further,* That any person making a solicitation or recommendation to the holders of a security to accept or reject a tender offer or request or invitation for tenders which solicitation or recommendation commenced prior to August 8, 1968, shall, if such solicitation or recommendation continues after such date, file the statement required by this paragraph on or before August 20, 1968.

(2) If any material change occurs in the facts set forth in the statement required by subparagraph (1) of this paragraph, the person who filed such statement shall promptly file with the Corporation an amendment disclosing such change.

(3) Any written solicitation or recommendation to the holders of a security to accept or reject a tender offer or request or invitation for tenders subject to section 14(d) of the Act shall include the name of the person making such solicitation or recommendation and the information required by Items 1(b), 2(b) of Form F-12, or a fair and adequate summary thereof: *Provided, however,*

That such written solicitation or recommendation may omit any of such information previously furnished to the persons to whom the solicitation or recommendation is made.

(n) *Change in majority of directors.* If, pursuant to any arrangement or understanding with the person or persons acquiring securities in a transaction subject to section 13(d) or section 14(d) of the Act, any persons are to be elected or designated as directors of the bank, otherwise than at a meeting of security holders, and the persons so elected or designated will constitute a majority of the directors of the bank, then, not less than 10 days prior to the date any such person takes office as a director, or such shorter period prior to that date as the Corporation may authorize upon a showing of good cause therefor, the bank shall file with the Corporation and transmit to all holders of record of securities of the bank who would be entitled to vote at a meeting for election of directors, information substantially equivalent to the information which would be required by Items 5 (a), (d), (e), and (f), 6 and 7 of Form F-5 to be transmitted if such person or persons were nominees for election as directors at a meeting of such security holders.

3. The following sections are added:

§ *335.47 Form for statement to be filed pursuant to* §*335.4(g) (2) or* § *335.5(l) of Part 335 (Form F-11),*

FORM F-11

STATEMENT TO BE FILED PURSUANT TO §335.4 (g) (2) OR §335.5(l) OF PART 335

General Instructions

The item numbers and captions of the items shall be included but the text of the items may be omitted. The answers to the items shall be so prepared as to indicate clearly the coverage of the items without referring to the text of the items. Answer every item. If an item is inapplicable or the answer is in the negative, so state.

If the statement is filed by a partnership, limited partnership, syndicate, or other group, the information called for by Items 2 to 6, inclusive, shall be given with respect to (1) each partner or any partnership or limited partnership; (2) each member of such syndicate or group; and (3) each person controlling such partner or member. If a person referred to in (1), (2), or (3) is a corporation or the statement is filed by a corporation, the information called for by the abovementioned items shall be given with respect to each principal officer and director of such corporation and each person controlling such corporation.

Item 1. Security and Bank.

State the title of the class of equity securities to which this statement relates and the name and address of the bank which issued such securities.

Item 2. Identity and Background.

State the following with respect to the person filing this statement:

(a) Name and business address.

(b) Residence address.

(c) Present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is carried on.

(d) Material occupations, positions, offices or employments during the last 10 years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on.

(e) (1) Whether or not such person has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) and, if so, give the dates, nature of conviction, name and location of the court, and penalty imposed, or other disposition of the case.

(2) Whether or not such person has ever been adjudicated a bankrupt and, if so, give the dates and names and locations of the courts.

Item 3. Source and Amount of Funds or Other Consideration.

State the source and amount of funds or other consideration used or to be used in making the purchases, and if any part of the purchase price or proposed purchase price is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading the securities, a description of the transaction and the names of the parties thereto.

Instruction. If the source of funds is a loan made in the ordinary course of business by a bank, the person filing the statement may, at his option, omit the name of the bank, provided it is furnished to the Corporation in a letter requesting confidential treatment as to such information. Pursuant to section 13(d) (1) (B) of the Act, such information shall not be made available to the public.

Item 4. Purpose of Transaction.

If the purpose of the purchases or prospective purchases is to acquire control of the bank, describe any plans or proposals which such persons may have to liquidate such bank, to sell its assets to or merge it with any other persons, or to make any other major change in its business or corporate structure.

Item 5. Interest in Securities of the Bank.

State the number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire, directly or indirectly, by (i) such person, and (ii) each associate of such person, giving the name and address of each such associate.

Item 6. Contracts, Arrangements, or Understandings With Respect to Securities of the Bank.

Furnish information as to any contracts, arrangements, or understandings with any person with respect to any securities of the bank, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or guaranties of profits, division of losses or profits, or the giving or withholding of proxies, naming the persons with whom such contracts, arrangements, or understandings have been entered into, and giving the details thereof.

Item 7. Persons Retained, Employed or To Be Compensated.

Where this statement relates to a tender offer, or request or invitation for tenders, identify all persons and classes of persons employed, retained or to be compensated by the person filing this statement, or by any person on his behalf, to make solicitations or recommendations to security holders and describe briefly the terms of such employment, retainer or arrangement for compensation.

Item 8. Material To Be Filed as Exhibits.

Copies of all requests or invitations for tenders or advertisements making a tender offer or requesting or inviting tenders, additional material soliciting or requesting such tender offers, solicitations or recommendations to the holders of the security to accept or reject a tender offer or request or invitation for tenders shall be filed as an exhibit.

Signature

I certify that to the best of my knowledge and belief the information set forth in this statement is true, complete and correct.

(Date) (Signature)

If the statement is signed on behalf of a person by an authorized representative, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement.

§335.53 Form for statement to be filed pursuant to §335.5(m) of Part 335 (Form F-12).

FORM F-12

STATEMENT TO BE FILED PURSUANT TO §335.5(m) OF PART 335

General Instructions

The item numbers and captions of the items shall be included but the text of the items may be omitted. The answers to the items shall be so prepared as to indicate clearly the coverage of the items without referring to the text of the items. Answer every item. If an item is inapplicable or the answer is in the negative, so state.

Item 1. Security and Bank.

(a) State the title of the class of equity securities to which this statement relates and the name and address of the bank which issued such securities.

(b) Identify the tender offer or request or invitation for tenders to which this statement relates and state the reasons for the solicitation or recommendation to security holders to accept or reject such tender offer, request, or invitation for tenders.

Item 2. Identity and Background.

(a) State the name and business address of the person filing this statement.

(b) Describe any arrangement or understanding in regard to the solicitation with (i) the bank or the management of the bank or (ii) the maker of the tender offer or request or invitation for tender of securities of the class to which this statement relates.

Item 3. Persons Retained, Employed or To Be Compensated.

Identify any person or class of persons employed, retained or to be compensated, by the person filing this Form F-12, or by any person on his behalf, to make solicitations or recommendations to security holders and describe briefly the terms of such employment, retainer or arrangement for compensation.

Item 4. Material To Be Filed as Exhibits.

Copies of all solicitations or recommendations to accept or to reject a tender offer or request or invitation for tenders of the securities specified in Item 1 shall be filed as an exhibit.

Signature

I certify that to the best of my knowledge and belief the information set forth in this statement is true, complete and correct.

(Date) (Signature)

If the statement is signed on behalf of a person by an authorized representative, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement.

§335.51 [Amended]

4. Section 335.51 (Form F-5) is amended by adding the following paragraphs (e) and (f) to "Item 5, Voting Securities and Principal Holders Thereof" of such form:

Item 5. Voting Securities and Principal Holders Thereof.

(e) If to the knowledge of the persons on whose behalf the solicitation is made, a change in control of the bank has occurred since the beginning of its last fiscal year, state the name of the person or persons who acquired such control, the basis of such control, the date and a description of the transaction or transactions in which control was acquired and the percentage of voting securities of the bank now owned by such person or persons.

(f) Describe any contractual arrangements, including any pledge of securities of the bank or any of its parents, known to the persons on whose behalf the solicitation is made, the operation of the terms of which may at a subsequent date result in a change in control of the bank.

Instruction. Paragraph (f) does not require a description of ordinary default provisions contained in the charter, trust indentures or other governing instruments relating to securities of the bank.

[F.R. Doc. 68-9783; Filed, Aug. 14, 1968; 8:47 a.m.]

TITLE 12—BANKS AND BANKING

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 329—PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED NONMEMBER BANKS

Time Deposits of Foreign Monetary Authorities; Applicability of Lower State Maximum Interest Rates; Interest on Time and Savings Deposits Renewed Within 10 Days

1. Effective October 15, 1968, §329.3 of the rules and regulations of the Federal Deposit Insurance Corporation (12 CFR Part 329) is amended to read as follows:

§329.3 Maximum rate of interest on time and savings deposits.

(a) *Maximum rate prescribed from time to time.* Except in accordance with the provisions of this part, no insured nonmember bank shall pay interest on any time deposit or savings deposit in any manner, directly or indirectly, or by any method, practice, or device whatsoever. Except as provided in paragraph (g) of this section, no insured nonmember bank shall pay interest on any time deposit or savings deposit at a rate in excess of such applicable maximum rate as the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe from time to time; and any rate or rates which may be so prescribed by the Board will be set forth in supplements to this part (see §329.6), which will be issued in advance of the date upon which such rate or rates become effective.

(b) *Modification of contracts to conform to regulation.* No certificate of deposit or other contract shall be renewed or extended unless it be modified to conform to the provisions of this part, and every insured nonmember bank shall take such action as may be necessary, as soon as possible consistently with its contractual obligations, to bring all of its outstanding certificates of deposit or other contracts into conformity with the provisions of this part.

(c) *Insured nonmember banks limited to maximum rate under State law.* The rate of interest paid by an insured nonmember bank upon a time deposit or a savings deposit shall not in any case exceed (1) the applicable maximum rate prescribed pursuant to the provisions of paragraph (a) of this section, or (2) the applicable maximum rate authorized to be paid upon such deposits under the laws of the State in which the insured nonmember bank is located, whichever may be less.

(d) *Grace periods in computing interest on savings deposits.* An insured nonmember bank may pay interest on a savings deposit received during the first ten (10) calendar days of any calendar month at the applicable maximum rate prescribed pursuant to paragraph (a) of this section calculated from the first day of such calendar month until such deposit is withdrawn or ceases to constitute a savings deposit under the provisions of this part, whichever shall first occur; and an insured nonmember bank may pay interest on a savings deposit withdrawn during its last three (3) business days of any calendar month ending a regular quarterly or semiannual interest period at the applicable maximum rate prescribed pursuant to paragraph (a) of this section calculated to the end of such calendar month.

(e) *Continuance of time deposit status.* A deposit which was a time deposit at the date of deposit continues to be such until maturity, although it has become payable within thirty (30) days, and interest at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section may be paid until maturity upon such deposit. A time deposit or a savings deposit, with respect to which notice of withdrawal has been given, continues to be such until the expiration of the period of such notice, and interest may be paid upon such deposit until the expiration of the period of such notice at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section. Interest at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section may be paid upon savings deposits with respect to which notice of intended withdrawal has not actually been required or given. No interest shall be paid by an insured nonmember bank on any amount which by the terms of any certificate or other contract or agreement, or otherwise, the bank may be required to pay within thirty (30) days from the date on which such amount is deposited in such bank,[1] except as to savings deposits with respect to which the bank consistently continues to adhere to a practice existing prior to January 23, 1936, of requiring notice of at least fifteen (15) days before permitting withdrawal.

(f) *No interest after maturity or expiration of notice; exception.* After the date of maturity of any time deposit, such deposit is a demand deposit, and no interest may be paid on such deposit for any period subsequent to such date. After the expiration of the period of notice given with respect to the repayment of any time deposit or savings deposit, such deposit is a demand deposit and no interest may be paid on such deposit for any period subsequent to the expiration of such notice, except that, if the owner of such deposit advise the bank in writing that the deposit will not be withdrawn pursuant to such notice or that the deposit will thereafter again be subject to the contract or requirements applicable to such deposit, the deposit will again constitute a time deposit or savings deposit, as the case may be, after the date upon which such advice is received by the bank. Notwithstanding the foregoing, if a time deposit is renewed, automatically or by action of the depositor, within ten (10) days after maturity, the renewed deposit or renewed portion may draw interest from the maturity date of the matured deposit; and if a time or savings deposit is renewed, automatically or by action of the depositor, within ten (10) days after expiration of the period of notice given with respect to its repayment, the

[1] Deposits, such as Christmas club accounts and vacation club accounts, which are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three (3) months, constitute "time deposits, open acccount" even though some of the deposits are made within thirty (30) days from the end of such period.

renewed deposit or renewed portion may draw interest from the date such notice period expired.[1]

(g) *Time deposits of foreign monetary authorities.* The provisions of paragraph (a) of this section do not apply to the rate of interest that may be paid by insured nonmember banks on a time deposit, having a maturity of not more than 2 years, made and owned by a foreign government, a monetary or financial authority of a foreign government when acting as such, or an international financial institution of which the United States is a member. All certificates of deposit issued by insured nonmember banks to such organizations, on which the contract rate of interest exceeds the applicable maximum under §329.6, shall provide (1) that, in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate, and (2) that the maximum rate limitations of §329.6 in effect at the date of issuance of the certificate apply to the certificate for any period during which it is held by a person other than such an organization. Upon presentment of such a certificate for payment, the bank may pay to the holder the contract rate of interest on the deposit for the time that the certificate was actually owned by such an organization.

2. Effective October 15, 1968, this Corporation's uncodified interpretation of Part 329 of its regulations, published in 27 FEDERAL REGISTER 11798 (1962), is revoked.

[1]Where a time certificate is renewed within ten (10) days after maturity, the renewal certificate may be dated back to the maturity date of the matured certificate.

[F.R. Doc. 68–12625; Filed, Oct. 16, 1968; 8:49 a.m.]

STATE BANKING LEGISLATION—1968

The legislatures of thirty-four States held either regular or special sessions during 1968, and twenty-nine of them enacted laws affecting the banking industry. Some of the State banking laws enacted this year are listed below on a State-by-State basis.

ALASKA

Securities registration requirements – exemptions	HB	351
Bank investments	HB	413
Banking code amendments	SB	305
Minor's contracts – enforceability	HB	475
Student loans	SB	378
	SB	365
Stockholders' meetings	HB	490
Discount loans	HB	7

ARIZONA

Wage payment by bank deposit	SB	212
Public depositories	HB	99
Loan limitations	SB	123

ARKANSAS

Student loans	HB	7-X
Capital notes	HB	42-X

CALIFORNIA

Fraudulent use of credit cards	AB	367
Financial code amendments regarding capital and reserves and foreign banking corporations	SB	164
	AB	984
	SB	1003
Unclaimed property	SB	63
Corporate securities law amendments	AB	1
Uniform Gifts to Minors Act amendments	AB	1154
Taxation of banking institutions	AB	1832
	SB	606

COLORADO

Student loans	HB	1073
Uniform Consumer Credit Code–study	HJR	1013

GEORGIA

State fund depositories	HB	933
Bank investments	HB	934
Stock in subsidiary corporations	HB	935
Loans to officers, directors, and employees	HB	937
Powers of State and national banks equalized	HB	938
Capital requirements	HB	939
Student loans	HB	1066
Nonpar banking – interim study	HR	217
	SB	265

HAWAII

Student loans	HB	255
Equalization of powers of State and national banks	SB	45
Multi-State Tax Compact adopted	HB	141
Interest rates on farm loans	SB	330

ILLINOIS

Uniform Gifts to Minors Act amendments	SB	1811
Branch banking	HB	2825

KANSAS

Student loans	SB	705
National banks – taxation	SB	646

KENTUCKY

Bank filing fees	HB	285
Bank holidays	HB	317
Bank examiner qualifications	SB	180
Credit cards	SR	61
Banking fees	HB	285
Bank ownership of personal property	HB	580
Credit – disclosure of charges	HB	250

LOUISIANA

Interest rates and finance charges	HB	64
Security for deposit of public funds	SB	252
Use of term "insured savings" prohibited except for agency of the United States	SB	389
Investments	SB	390
Bank holding companies	SB	1183

Loans	HB	638
	SB	253
Powers	SB	338
Trusts	SB	32
	SB	36
	SB	37
	SB	35
	SB	34

MAINE

Truth in lending – interest and finance charge – disclosure	HB	1316-XX
Student loans	SB	779-XX

MARYLAND

Loans – interest rates	HB	11
	HB	427
Disposition of unclaimed property	SB	385
Interest	HB	1

MASSACHUSETTS

Trusts	HB	67
Cooperative banks – personal loan limitation	HB	186
Loans	HB	606
	HB	607
	HB	595
	HB	597
Investments	HB	4584
	SB	969
	HB	596
	HB	3771
Bank dividends or interest	HB	608
	HB	594
Contracts of minors	HB	2348
Bank group club accounts – interest	HB	4308
Trust fund deposits	HB	4674
Credit cards	HB	4563
Time deposits – payment	HB	4293
Truth in lending	HB	4359

MICHIGAN

Leasing personal property	HB	3584
Taxation of financial institutions	HB	3585
Loans – interest rate	HB	3727
	HB	3826
Credit cards	SB	1287
Student loans	SB	1210
Banking law study	SCR	171
Issuance of checks, drafts, money orders	SB	1212
Investments	HB	3978
Consumer credit study	HCR	320

MISSISSIPPI

Student loans	HB	139
	SB	1604
Check nonpayment – bank liability	HB	290
Joint bank accounts	HB	292

Cash reserves	HB	605
Credit cards	HB	609
Non-bonded fiduciary activity	SB	1761
Checks, for clearance	SB	1976
Earned surplus – ad valorem tax	SB	1936

MISSOURI

Student loans	SB	13-X

NEW JERSEY

Payment after death of depositor	AB	106
Loans – credit insurance	SB	262
	AB	370
Finance charges	SB	179
Trust funds	AB	514
	AB	645
Educational assistance loans	AB	662
	AB	658
	AB	421
Bank employee retirement benefits	SB	261
Credit insurance	SB	263
Credit cards	SB	482
Banking Act amendments	SB	666
Interest rates	SB	476
	SB	732
Investments	SB	545
	AB	552
Usury	SB	359

NEW YORK

Trust funds	SB	3535
	AB	1584
	SB	4799
Dividends	AB	4164
Bank officers and employees – life insurance	AB	4165
Time deposits	AB	4168
Stock acquisition	AB	4169
License fees	AB	4172
Abandoned property	AB	5777
	AB	4464
	AB	4465
	AB	4662
Branch banks	AB	4545A
Loans to bank officers	AB	4690
Mortgage loans	AB	5776
Interest rates	AB	6331
Investments	AB	6342
	SB	3674
Taxation	AB	7119
	SB	1708
Bank holding companies	SB	2428
Employee stock options	SB	2429
Change of location	SB	2527
Foreign banks	SB	3452
Net profit determination	SB	3469
Mergers – principal office	SB	3491

Student loans	SB	4399
Surplus funds	SB	4528
Transportation and travel services	AB	1498
Investment of public funds in bank securities	SB	627
Urban development	SB	4840A
Retirement benefits	SB	3050
Disclosure of credit terms	AB	6261
	AB	7134

OHIO

Urban renewal	HB	1000
Unclaimed property disposition	SB	508
Uniform Depository Act amendments	SB	321

OKLAHOMA

Trusts	HB	759
Loans	HB	969
Gifts to Minors Act amendments	HB	1181
Liquidation and reorganization	SB	491
Unclaimed property disposition	SB	625
	SB	656
Bank and trust stocks – foreign corporation license	SJR	18
Loans – legislative control	SJR	60
Uniform Consumer Credit Code – study	SCR	73
Drive-in banking facilities	HR	674
Examination requirements	HB	1165

PENNSYLVANIA

Uniform Gifts to Minors Act amendments	HB	1235
Urban development	HB	1528
Interest rates on loans	HB	1569
	SB	1458
Trust investments	HB	2288
Banking Act amendment	SB	1573

RHODE ISLAND

Truth in lending	HB	1086
	SB	277
Unclaimed property	SB	290
Retirement plans – financial institutions	SB	324
Directors – minimum stock ownership	SB	489
Uniform Gifts to Minors Act amendments	SB	763
Sale of securities	SB	284

SOUTH CAROLINA

Worthless checks	HB	2354
Finance charges	HB	2722
Real estate loans	SB	723
Installment loans on same terms as permitted National banks	SB	724
Trusts	HB	1825
	HB	1870
Uniform Gifts to Minors Act amendments	SB	763

SOUTH DAKOTA

Credit Cards – unlawful use	HB	721
Uniform Gifts to Minors Act amendments	SB	42
Reserve requirements	SB	81
Exchange charges	SB	75

TENNESSEE

Uniform Gifts to Minors Act amendments	HB	495
Depository banks – collateral requirements	SB	1216
	SB	1215
Installment loans	SB	1229
Credit card fraud	SB	1417
Trusts	SB	1591
Loans	SB	1678
Interest rate study	HJR	129

VERMONT

Loans – disclosure of credit costs	HB	318
Interest rates	HB	507

VIRGINIA

Trusts	HB	8
	HB	143
	HB	709
Personal property acquired by banks	HB	81
Banking law amendments	HB	92
Safe deposit boxes	HB	145
Consumer Credit Code	HB	238
Investments	HB	220
	HB	248
Dividends	HB	560
Certificates of deposit	HR	918
	HR	622
State banks – regulatory power	HR	979
Credit cards – fraud, forgery	HR	1115
Taxation – State and national banks	HR	471
Decedents' bank deposits	SR	269
Interest	HB	377

WEST VIRGINIA

Urban renewal	HB	224
Student loans	HB	303
State fund depositories	SB	120
Interest rates – study	SCR	41
	HB	5-XX
	HB	4-XX

STATISTICS OF BANKS

AND DEPOSIT INSURANCE

PART FOUR

NUMBER OF BANKS AND BRANCHES

Table 101. Changes in number and classification of banks and branches in the United States (States and other areas) during 1968

Table 102. Changes in number of commercial banks and branches during 1968, by State

Table 103. Number of banking offices in the United States (States and other areas), December 31, 1968

Grouped according to insurance status and class of bank, and by State or area and type of office

Table 104. Number and deposits of all commercial and mutual savings banks (States and other areas), December 31, 1968

Grouped by class and by deposit size

Tabulations for all banks are prepared in accordance with an agreement among the Federal bank supervisory agencies. Provision of deposit facilities for the general public is the chief criterion for distinguishing between banks and other types of financial institutions. However, trust companies engaged in general fiduciary business though not in deposit banking are included; and credit unions and savings and loan associations are excluded except in the case of a few which accept deposits under the terms of special charters.

Branches include all offices of a bank other than its head office, at which deposits are received, checks paid, or money lent. Banking facilities separate from a banking house, banking facilities at government establishments, offices, agencies, paying or receiving stations, drive-in facilities and other facilities operated for limited purposes are defined as branches under the Federal Deposit Insurance Act, Section 3(o), regardless of the fact that in certain States, including several which prohibit the operation of branches, such limited facilities are not considered branches within the meaning of State law.

Commercial banks include the following categories of banking institutions:

National banks;

Incorporated State banks, trust companies, and bank and trust companies, regularly engaged in the business of receiving deposits, whether demand or time, except mutual savings banks;

Stock savings banks, including guaranty savings banks in New Hampshire;

Industrial and Morris Plan banks which operate under general banking codes, or are specifically authorized by law to accept deposits and in practice do so, or the obligations of which are regarded as deposits for deposit insurance;

Special types of banks of deposit: cash depositories in South Carolina; regulated certificated banks, and a savings and loan company operating under Superior Court charter, in Georgia; government operated banks in American Samoa, North Dakota, and Puerto Rico; a cooperative bank, usually classified as a credit union, operating under a special charter in New Hampshire; a savings institution, known as a "trust company," operating under special charter in Texas; an employee's mutual banking association in Pennsylvania; the Savings Banks Trust Company in New York; and branches of foreign banks engaged in a general deposit business in New York, Oregon, Washington, Puerto Rico, and Virgin Islands.

Private banks under State supervision, and such other private banks as are reported by reliable unofficial sources to be engaged in deposit banking.

Nondeposit trust companies include institutions operating under trust company charters which are not regularly engaged in deposit banking but are engaged in fiduciary business other than that incidental to real estate title or investment activities.

Mutual savings banks include all banks operating under State banking codes applying to mutual savings banks.

Institutions excluded. Institutions in the following categories are excluded, though such institutions may perform many of the same functions as commercial and savings banks:

Banks which have suspended operations or have ceased to accept new deposits and are proceeding to liquidate their assets and pay off existing deposits;

Building and loan associations, savings and loan associations, credit unions, personal loan companies, and similar institutions, chartered under laws applying to such institutions or under general incorporation laws, regardless of whether such institutions are authorized to accept deposits from the public or from their members and regardless of whether such institutions are called "banks" (a few institutions accepting deposits under powers granted in special charters are included);

Morris Plan companies, industrial banks, loan and investment companies, and similar institutions except those mentioned in the description of institutions included;

Branches of foreign banks, and private banks, which confine their business to foreign exchange dealings and do not receive "deposits" as that term is commonly understood;

Institutions chartered under banking or trust company laws, but operating as investment or title insurance companies and not engaged in deposit banking or fiduciary activities;

Federal Reserve Banks and other banks, such as the Federal Home Loan Banks and the Savings and Loan Bank of the State of New York, which operate as rediscount banks and do not accept deposits except from financial institutions.

Table 101. CHANGES IN NUMBER AND CLASSIFICATION OF BANKS AND BRANCHES IN THE UNITED STATES (STATES AND OTHER AREAS) DURING 1968

Type of change	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks		
					Insured				Noninsured				
						Members F.R. System							
	Total	Insured	Noninsured	Total	Total	National	State	Not members F.R. System	Banks of deposit	Nondeposit trust companies[1]	Total	Insured	Noninsured
ALL BANKING OFFICES													
Number of offices, December 31, 1968[2]	34,330	33,716	614	32,920	32,643	15,741	4,827	12,075	219	58	1,410	1,073	337
Number of offices, December 30, 1967[2]	33,194	32,574	620	31,860	31,570	14,974	4,983	11,613	235	55	1,334	1,004	330
Net change during year	+1,136	+1,142	-6	+1,060	+1,073	+767	-156	+462	-16	+3	+76	+69	+7
Offices opened	1,370	1,348	22	1,287	1,276	584	211	481	8	3	83	72	11
Banks	92	83	9	90	81	15	1	65	6	3	2	2	
Branches	1,278	1,265	13	1,197	1,195	569	210	416	2		81	70	11
Offices closed	234	227	7	228	223	110	37	76	5		6	4	2
Banks	137	130	7	133	128	58	8	62	5		4	2	2
Branches	97	97		95	95	52	29	14			2	2	
Change in classification		+21	-21	+1	+20	+293	-330	+57	-19		-1	+1	-2
Among banks		+19	19		+18	+1	44	+61	18			+1	1
Among branches		+2	-2	+1	+2	+292	286	4	1		1		1
BANKS													
Number of banks, December 31, 1968	14,199	13,822	377	13,698	13,488	4,716	1,261	7,511	160	50	501	334	167
Number of banks, December 30, 1967	14,244	13,850	394	13,741	13,517	4,758	1,312	7,447	177	47	503	333	170
Net change during year	-45	-28	-17	-43	-29	-42	-51	+64	-17	+3	-2	+1	-3
Banks beginning operation	92	83	9	90	81	15	1	65	6	3	2	2	
New banks	88	83	5	86	81	15	1	65	4	1	2	2	
Banks added to count	4		4	4					2	2			
Banks ceasing operation	137	130	7	133	128	58	8	62	5		4	2	2
Absorptions, consolidations, and mergers (without FDIC aid)	134	127	7	130	125	56	8	61	5		4	2	2
Closed-financial difficulties	3	3		3	3	2		1					
Noninsured banks becoming insured		+20	-20		+19			+19	-18	-1		+1	-1

Other changes in classification		**-1**	**+1**		**-1**	**+1**	**-44**	**+42**		**+1**			
National succeeding State bank						+13	-7	-6					
State succeeding national bank						-12		+12					
Admission of insured bank to FRS							+3	-3					
Withdrawal from FRS with continued insurance							-40	+40					
Insured bank becoming noninsured bank		-1	+1		1			-1		+1			
Changes not involving number in any class													
Change in title	193	190	3	187	185	70	17	98	2		6	5	
Change in location	12	11	1	12	11	4	2	5	1				
Change in title and location	12	12		12	12	3		9					
Change in name of location	6	6		6	6	1	1	4					
Change in location within city	241	241		238	238	82	7	149			3	3	
Changes in corporate powers													
Granted trust powers	74	74		74	74			74					
BRANCHES													
Number of branches, December 31, 1968[2]	**20,131**	**19,894**	**237**	**19,222**	**19,155**	**11,025**	**3,566**	**4,564**	**59**	**8**	**909**	**739**	**170**
Number of branches, December 30, 1967[2]	**18,950**	**18,724**	**226**	**18,119**	**18,053**	**10,216**	**3,671**	**4,166**	**58**	**8**	**831**	**671**	**160**
Net change during year	**+1,181**	**+1,170**	**+11**	**+1,103**	**+1,102**	**+809**	**-105**	**+398**	**+1**		**+78**	**+68**	**+10**
Branches opened for business	**1,278**	**1,265**	**13**	**1,197**	**1,195**	**569**	**210**	**416**	**2**		**81**	**70**	**11**
Facilities designated by Treasury	10	10		10	10	6	1	3					
Absorbed banks converted to branches	124	122	2	121	121	66	11	44			3	1	2
Branches replacing head offices relocated	21	21		21	21	4	2	15					
New branches	1,112	1,101	11	1,034	1,032	490	196	346	2		78	69	9
Branches and/or facilities added to count[3]	11	11		11	11	3		8					
Branches discontinued	**97**	**97**		**95**	**95**	**52**	**29**	**14**			**2**	**2**	
Facilities designated by Treasury	7	7		7	7	6		1					
Branches	86	86		84	84	43	28	13			2	2	
Branches and/or facilities deleted from count	4	4		4	4	3	1						
Other changes in classification		**+2**	**-2**	**+1**	**+2**	**+292**	**-286**	**-4**	**-1**		**-1**		**-1**
Branches changing class as a result of conversion						+295	-284	-11					
Branches of *noninsured* banks admitted to insurance		+2	-2		+1			+1	-1			+1	
Branches transferred through absorption, consolidation, or merger				+1	+1	-3	+22	-18			-1	-1	
Branches of insured banks withdrawing from FRS							-24	+24					
Changes not involving number in any class													
Changes in operating powers of branches	5	5		5	5	3	2						
Branches transferred through absorption, consolidation, or merger	73	71	2	70	70	32		38			3	1	2
Changes in title, location, or name of location	432	430	2	417	417	245	77	95			15	13	2

[1]Includes one trust company member of the Federal Reserve System.
[2]Includes facilities established at request of the Treasury or Commanding Officer of Government installations, and also a few seasonal branches that were not in operation as of December 31.
[3]Branches opened prior to 1968 but not included in count as of December 30, 1967.

Table 102. CHANGES IN NUMBER OF COMMERCIAL BANKS AND BRANCHES DURING 1968, BY STATE

State	In operation				Net change during 1968		Beginning operation in 1968				Ceasing operation in 1968			
	Dec. 31, 1968		Dec. 30, 1967				Banks		Branches		Banks		Branches	
	Banks	Branches	Banks	Branches	Banks	Branches	New	Other	New	Other	Absorptions	Other	Branches	Other
Total United States	13,698	19,222	13,741	18,119	-43	1,103	86	4	1,046	152	133	....	84	11
50 States and D.C.	13,678	19,013	13,721	17,931	-43	1,082	86	4	1,025	151	133	....	83	11
Other Areas	20	209	20	188	N.A.	21	......	......	21	1		......	1	...
State														
Alabama	268	236	266	211	+2	+25	3		23	3	1		1	
Alaska	12	55	12	54	N.A.	+ 1	.....		1	1				
Arizona	13	278	17	265	-4	+13			11	4	4		2	
Arkansas	248	141	248	130	N.A.	+11			11					
California	162	2,793	178	2,692	-16	+101			121	18	16		38	
Colorado	257	10	256	7	+1	+3	1		2	1				
Connecticut	66	375	67	357	-1	+18	1		15	3	2			
Delaware	19	78	19	74	N.A.	+ 4			5				1	
District of Columbia	14	100	14	96	N.A.	+ 4			4					
Florida	461	25	450	21	+11	+ 4	11	1	4	1	1			
Georgia	428	248	426	227	+ 2	+21	3	2	15	7	3		1	
Hawaii	11	123	11	123	N.A.	N.A.								
Idaho	26	142	26	141	N.A.	+ 1			1					
Illinois	1,074	45	1,067	18	+7	+27	9		27		2			
Indiana	415	576	417	542	-2	+34			33	3	2		2	
Iowa	673	282	674	260	-1	+22			21	3	1		2	
Kansas	601	61	601	58	N.A.	+ 3			3					
Kentucky	346	286	346	268	N.A.	+18			18					
Louisiana	229	329	226	305	+3	+24	3		24					
Maine	43	200	44	194	-1	+ 6			6	1	1			
Maryland	122	469	122	442	N.C.	+27	1		27	1	1			
Massachusetts	158	683	159	647	- 1	+36	5		31	6	6		1	
Michigan	338	1,101	341	1,049	- 3	+52			51	4	3		3	
Minnesota	723	10	723	9	N.C.	+ 1	1		1		1			
Mississippi	185	296	188	281	- 3	+15	1		11	5	4		1	
Missouri	667	85	664	78	+ 3	+ 7	3		8				1	
Montana	135	5	133	5	+ 2	N.A.	2							
Nebraska	441	37	439	33	+ 2	+ 4	2		3	1				
Nevada	9	78	9	75	N.A.	+ 3			3					
New Hampshire	77	41	76	37	+ 1	+ 4	2		3	1	1			

New Jersey	229	797	228	757	+ 1	+40	4		38	4	3		2	
New Mexico	63	114	64	109	- 1	+ 5			4	1	1			
New York	319	2,214	327	2,137	- 8	+77	3	1	72	10	12		5	
North Carolina	121	930	128	859	- 7	+71	2		70	8	9		5	
North Dakota	169	69	169	64	N.A.	+ 5			4	1				
Ohio	525	1,130	531	1,069	- 6	+61			58	7	6		4	
Oklahoma	424	55	422	46	+ 2	+ 9	3		9		1			
Oregon	50	307	50	285	N.C.	+22	2		19	3	2			
Pennsylvania	509	1,519	522	1,421	-13	+98	2		85	15	15		2	
Rhode Island	13	158	14	149	- 1	+ 9			8	1	1			
South Carolina	118	351	125	328	- 7	+23	1		15	9	8		1	
South Dakota	165	91	166	87	- 1	+ 4			3	1	1			
Tennessee	303	417	299	404	+ 4	+13	5		15	1	1		3	
Texas	1,151	63	1,149	59	+ 2	+ 4	5		5		3			
Utah	54	115	55	112	- 1	+ 3	1		2	2	2		1	
Vermont	45	71	46	67	- 1	+ 4			3	1	1			
Virginia	237	709	250	656	-13	+53	2		43	18	15		6	2
Washington	94	487	95	452	- 1	+35	2		32	4	3			1
West Virginia	195	4	194	...	+ 1	+ 4	1		4					
Wisconsin	603	223	599	171	+ 4	+52	4		52	2			1	1
Wyoming	70	1	69	1	+ 1	N.A.	1							
Other Areas														
Pacific Islands	1	13	1	13	N.A.	N.A.								
Panama Canal Zone	...	2	...	2	N.A.	N.A.								
Puerto Rico	12	175	12	160	N.A.	+15			16				1	
Virgin Islands	7	19	7	13	N.A.	+ 6			5	1				

N.A. = No Activity
N.C. = No Change

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks			Percentage insured[1]		
					Insured				Noninsured							
						Members F.R. System										
	Total	Insured	Noninsured	Total	Total	National	State	Not members F.R. System	Banks of deposit[2]	Nondeposit trust companies[3]	Total	Insured	Noninsured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
United States—all offices	**34,330**	**33,716**	**614**	**32,920**	**32,643**	**15,741**	**4,827**	**12,075**	**219**	**58**	**1,410**	**1,073**	**337**	**98.4**	**99.3**	**76.1**
Banks	14,199	13,822	377	13,698	13,488	4,716	1,261	7,511	160	50	501	334	167	97.7	98.8	66.7
Unit banks	*10,179*	*9,909*	*270*	*9,960*	*9,774*	*3,116*	*801*	*5,857*	*141*	*45*	*219*	*135*	*84*	*97.8*	*98.6*	*61.6*
Banks operating branches	*4,020*	*3,913*	*107*	*3,738*	*3,714*	*1,600*	*460*	*1,654*	*19*	*5*	*282*	*199*	*83*	*97.5*	*99.5*	*70.6*
Branches	20,131	19,894	237	19,222	19,155	11,025	3,566	4,564	59	8	909	739	170	98.9	99.7	81.3
50 States and D.C.—all offices	**34,100**	**33,518**	**582**	**32,691**	**32,446**	**15,700**	**4,827**	**11,919**	**188**	**57**	**1,409**	**1,072**	**337**	**98.5**	**99.4**	**76.1**
Banks	14,178	13,813	365	13,678	13,480	4,715	1,261	7,504	149	49	500	333	167	97.8	98.9	66.6
Unit banks	*10,169*	*9,908*	*261*	*9,951*	*9,774*	*3,116*	*801*	*5,857*	*133*	*44*	*218*	*134*	*84*	*97.9*	*98.7*	*61.5*
Banks operating branches	*4,009*	*3,905*	*104*	*3,727*	*3,706*	*1,599*	*460*	*1,647*	*16*	*5*	*282*	*199*	*83*	*97.5*	*99.6*	*70.6*
Branches	19,922	19,705	217	19,013	18,966	10,985	3,566	4,415	39	8	909	739	170	99.0	99.8	81.3
Other areas—all offices	**230**	**198**	**32**	**229**	**197**	**41**		**156**	**31**	**1**	**1**	**1**		**86.5**	**86.4**	**100.0**
Banks	21	9	12	20	8	1		7	11	1	1	1		45.0	42.1	100.0
Unit banks	*10*	*1*	*9*	*9*					*8*	*1*	*1*	*1*		*11.1*		*100.0*
Banks operating branches	*11*	*8*	*3*	*11*	*8*	*1*		*7*	*3*					*72.7*	*72.7*	
Branches	209	189	20	209	189	40		149	20					90.4	90.4	
State																
Alabama—all offices	**504**	**504**		**504**	**504**	**259**	**34**	**211**						**100.0**	**100.0**	
Banks	268	268		268	268	89	22	157						100.0	100.0	
Unit banks	*191*	*191*		*191*	*191*	*48*	*17*	*126*						*100.0*	*100.0*	
Banks operating branches	*77*	*77*		*77*	*77*	*41*	*5*	*31*						*100.0*	*100.0*	
Branches	236	236		236	236	170	12	54						100.0	100.0	
Alaska—all offices	**69**	**67**	**2**	**67**	**65**	**51**		**14**	**2**		**2**	**2**		**97.1**	**97.0**	**100.0**
Banks	14	12	2	12	10	5		5	2		2	2		85.7	83.3	100.0
Unit banks	*6*	*4*	*2*	*4*	*2*			*2*	*2*		*2*	*2*		*66.7*	*50.0*	*100.0*
Banks operating branches	*8*	*8*		*8*	*8*	*5*		*3*						*100.0*	*100.0*	
Branches	55	55		55	55	46		9						100.0	100.0	
Arizona—all offices	**291**	**291**		**291**	**291**	**194**	**18**	**79**						**100.0**	**100.0**	
Banks	13	13		13	13	3	1	9						100.0	100.0	
Unit banks	*6*	*6*		*6*	*6*	*1*		*5*						*100.0*	*100.0*	
Banks operating branches	*7*	*7*		*7*	*7*	*2*	*1*	*4*						*100.0*	*100.0*	
Branches	278	278		278	278	191	17	70						100.0	100.0	
Arkansas—all offices	**389**	**386**	**3**	**389**	**386**	**145**	**33**	**208**	**2**	**1**				**99.5**	**99.5**	
Banks	248	245	3	248	245	68	13	164	2	1				99.2	99.2	
Unit banks	*176*	*173*	*3*	*176*	*173*	*35*	*6*	*132*	*2*	*1*				*98.9*	*98.9*	
Banks operating branches	*72*	*72*		*72*	*72*	*33*	*7*	*32*						*100.0*	*100.0*	
Branches	141	141		141	141	77	20	44						100.0	100.0	

California—all offices	**2,955**	**2,944**	**11**	**2,955**	**2,944**	**2,330**	**270**	**344**	......	**11**	......	......	......	**100.0**	**100.0**	...
Banks	162	156	6	162	156	72	10	74		6				100.0	100.0	
Unit banks	*32*	*28*	*4*	*32*	*28*	*14*	*1*	*13*		*4*				*100.0*	*100.0*	
Banks operating branches	*130*	*128*	*2*	*130*	*128*	*58*	*9*	*61*		*2*				*100.0*	*100.0*	
Branches	2,793	2,788	5	2,793	2,788	2,258	260	270		5				100.0	100.0	
Colorado—all offices	**267**	**229**	**38**	**257**	**229**	**123**	**18**	**88**	**38**					**85.8**	**85.8**	
Banks	257	219	38	257	219	118	17	84	38					85.2	85.2	
Unit banks	*248*	*210*	*38*	*248*	*210*	*114*	*16*	*80*	*38*					*84.7*	*84.7*	
Banks operating branches	*9*	*9*		*9*	*9*	*4*	*1*	*4*						*100.0*	*100.0*	
Branches	10	10		10	10	5	1	4						100.0	100.0	
Connecticut—all offices	**634**	**631**	**3**	**441**	**438**	**220**	**116**	**102**	**2**	**1**	**193**	**193**	......	**99.7**	**99.5**	**100.0**
Banks	135	132	3	66	63	29	6	28	2	1	69	69		98.5	96.9	100.0
Unit banks	*49*	*46*	*3*	*21*	*18*	*8*	..	*10*	*2*	*1*	*28*	*28*		*95.8*	*90.0*	*100.0*
Banks operating branches	*86*	*86*		*45*	*45*	*21*	*6*	*18*			*41*	*41*		*100.0*	*100.0*	*100.0*
Branches	499	499		375	375	191	110	74			124	124		100.0	100.0	100.0
Delaware—all offices	**109**	**109**		**97**	**97**	**9**	**35**	**53**			**12**	**12**		**100.0**	**100.0**	**100.0**
Banks	21	21		19	19	5	2	12			2	2		100.0	100.0	100.0
Unit banks	*10*	*10*		*10*	*10*	*3*		*7*						*100.0*	*100.0*	
Banks operating branches	*11*	*11*		*9*	*9*	*2*	*2*	*5*			*2*	*2*		*100.0*	*100.0*	*100.0*
Branches	88	88		78	78	4	33	41			10	10		100.0	100.0	100.0
D.C.—all offices	**114**	**114**	....	**114**	**114**	**72**	**33**	**9**						**100.0**	**100.0**	
Banks	14	14		14	14	10	2	2						100.0	100.0	
Unit banks	*1*	*1*		*1*	*1*	*1*								*100.0*	*100.0*	
Banks operating branches	*13*	*13*		*13*	*13*	*9*	*2*	*2*						*100.0*	*100.0*	
Branches	100	100		100	100	62	31	7						100.0	100.0	
Florida—all offices	**486**	**481**	**5**	**486**	**481**	**216**	**9**	**256**	**2**	**3**				**99.6**	**99.6**	
Banks	461	456	5	461	456	204	8	244	2	3				99.6	99.6	
Unit banks	*438*	*433*	*5*	*438*	*433*	*193*	*7*	*233*	*2*	*3*				*99.5*	*99.5*	
Banks operating branches	*23*	*23*		*23*	*23*	*11*	*1*	*11*						*100.0*	*100.0*	
Branches	25	25		25	25	12	1	12						100.0	100.0	
Georgia—all offices	**676**	**665**	**11**	**676**	**665**	**216**	**45**	**404**	**11**					**98.4**	**98.4**	
Banks	428	417	11	428	417	62	12	343	11					97.4	97.4	
Unit banks	*340*	*329*	*11*	*340*	*329*	*32*	*5*	*292*	*11*					*96.8*	*96.8*	
Banks operating branches	*88*	*88*		*88*	*88*	*30*	*7*	*51*						*100.0*	*100.0*	
Branches	248	248		248	248	154	33	61						100.0	100.0	
Hawaii—all offices	**134**	**129**	**5**	**134**	**129**	**45**	......	**84**	......	**5**				**100.0**	**100.0**	
Banks	11	7	4	11	7	2		5		4				100.0	100.0	...
Unit banks	*3*		*3*	*3*						*3*				.....	....	
Banks operating branches	*8*	*7*	*1*	*8*	*7*	*2*		*5*		*1*				*100.0*	*100.0*	
Branches	123	122	1	123	122	43		79		1				100.0	100.0	
Idaho—all offices	**168**	**168**		**168**	**168**	**113**	**31**	**24**						**100.0**	**100.0**	
Banks	26	26		26	26	9	7	10						100.0	100.0	
Unit banks	*12*	*12*		*12*	*12*	*3*	*4*	*5*						*100.0*	*100.0*	
Banks operating branches	*14*	*14*		*14*	*14*	*6*	*3*	*5*						*100.0*	*100.0*	
Branches	142	142		142	142	104	24	14						100.0	100.0	

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968—CONTINUED

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks			Percentage insured[1]		
	Total	Insured	Noninsured	Total	Insured				Noninsured		Total	Insured	Noninsured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
					Total	Members F.R. System: National	Members F.R. System: State	Not members F.R. System	Banks of deposit[2]	Nondeposit trust companies[3]						
Illinois—all offices	**1,119**	**1,114**	**5**	**1,119**	**1,114**	**450**	**96**	**568**	**2**	**3**				**99.8**	**99.8**	
Banks	1,074	1,069	5	1,074	1,069	420	91	558	2	3				99.8	99.8	
Unit banks	*1,031*	*1,026*	*5*	*1,031*	*1,026*	*392*	*86*	*548*	*2*	*3*				*99.8*	*99.8*	
Banks operating branches	*43*	*43*		*43*	*43*	*28*	*5*	*10*						*100.0*	*100.0*	
Branches	45	45		45	45	30	5	10						100.0	100.0	
Indiana—all offices	**995**	**991**	**4**	**991**	**987**	**430**	**139**	**418**	**3**	**1**	**4**	**4**		**99.7**	**99.7**	**100.0**
Banks	419	415	4	415	411	123	74	214	3	1	4	4		99.3	99.3	100.0
Unit banks	*231*	*227*	*4*	*227*	*223*	*52*	*47*	*124*	*3*	*1*	*4*	*4*		*98.7*	*98.7*	*100.0*
Banks operating branches	*188*	*188*		*188*	*188*	*71*	*27*	*90*						*100.0*	*100.0*	
Branches	576	576		576	576	307	65	204						100.0	100.0	
Iowa—all offices	**955**	**943**	**12**	**955**	**943**	**153**	**80**	**710**	**11**	**1**				**98.8**	**98.8**	
Banks	673	661	12	673	661	102	57	502	11	1				98.4	98.4	
Unit banks	*463*	*451*	*12*	*463*	*451*	*62*	*41*	*348*	*11*	*1*				*97.6*	*97.6*	
Banks operating branches	*210*	*210*		*210*	*210*	*40*	*16*	*154*						*100.0*	*100.0*	
Branches	282	282		282	282	51	23	208						100.0	100.0	
Kansas—all offices	**662**	**661**	**1**	**662**	**661**	**200**	**47**	**414**	**1**					**99.8**	**99.8**	
Banks	601	600	1	601	600	171	39	390	1					99.8	99.8	
Unit banks	*542*	*541*	*1*	*542*	*541*	*144*	*31*	*366*	*1*					*99.8*	*99.8*	
Banks operating branches	*59*	*59*		*59*	*59*	*27*	*8*	*24*						*100.0*	*100.0*	
Branches	61	61		61	61	29	8	24						100.0	100.0	
Kentucky—all offices	**632**	**627**	**5**	**632**	**627**	**208**	**59**	**360**	**5**					**99.2**	**99.2**	
Banks	346	341	5	346	341	80	14	247	5					98.6	98.6	
Unit banks	*221*	*216*	*5*	*221*	*216*	*37*	*6*	*173*	*5*					*97.7*	*97.7*	
Banks operating branches	*125*	*125*		*125*	*125*	*43*	*8*	*74*						*100.0*	*100.0*	
Branches	286	286		286	286	128	45	113						100.0	100.0	
Louisiana—all offices	**558**	**557**	**1**	**558**	**557**	**204**	**45**	**308**	**1**					**99.8**	**99.8**	
Banks	229	228	1	229	228	48	10	170	1					99.6	99.6	
Unit banks	*115*	*114*	*1*	*115*	*114*	*14*	*1*	*99*	*1*					*99.1*	*99.1*	
Banks operating branches	*114*	*114*		*114*	*114*	*34*	*9*	*71*						*100.0*	*100.0*	
Branches	329	329		329	329	156	35	138						100.0	100.0	

Maine—all offices	**294**	**287**	**7**	**243**	**237**	**110**	**61**	**66**	**6**		**51**	**50**	**1**	**97.6**	**97.5**	**98.0**
Banks	75	71	4	43	40	21	6	13	3		32	31	1	94.7	93.0	96.9
Unit banks	*31*	*28*	*3*	*10*	*8*	*5*	*2*	*1*	*2*		*21*	*20*	*1*	*90.3*	*80.0*	*95.2*
Banks operating branches	*44*	*43*	*1*	*33*	*32*	*16*	*4*	*12*	*1*		*11*	*11*		*97.7*	*97.0*	*100.0*
Branches	219	216	3	200	197	89	55	53	3		19	19		98.6	98.5	100.0
Maryland—all offices	**639**	**631**	**8**	**591**	**583**	**280**	**67**	**236**	**8**		**48**	**48**		**98.7**	**98.6**	**100.0**
Banks	128	127	1	122	121	48	7	66	1		6	6		99.2	99.2	100.0
Unit banks	*50*	*50*		*50*	*50*	*13*	*1*	*36*						*100.0*	*100.0*	
Banks operating branches	*78*	*77*	*1*	*72*	*71*	*35*	*6*	*30*	*1*		*6*	*6*		*98.7*	*98.6*	*100.0*
Branches	511	504	7	469	462	232	60	170	7		42	42		98.6	98.5	100.0
Massachusetts—all offices	**1,216**	**872**	**344**	**841**	**833**	**477**	**171**	**185**	**6**	**2**	**375**	**39**	**336**	**71.8**	**99.3**	**10.4**
Banks	332	161	171	158	153	87	16	50	4	1	174	8	166	48.6	97.5	4.6
Unit banks	*123*	*37*	*86*	*38*	*35*	*21*		*14*	*3*		*85*	*2*	*83*	*30.1*	*92.1*	*2.4*
Banks operating branches	*209*	*124*	*85*	*120*	*118*	*66*	*16*	*36*	*1*	*1*	*89*	*6*	*83*	*59.6*	*99.2*	*6.7*
Branches[4]	884	711	173	633	680	390	155	135	2	1	201	31	170	80.5	99.7	15.4
Michigan—all offices	**1,439**	**1,435**	**4**	**1,439**	**1,435**	**612**	**508**	**315**	**3**	**1**				**99.8**	**99.8**	
Banks	338	336	2	338	336	98	110	128	1	1				99.7	99.7	
Unit banks	*145*	*144*	*1*	*145*	*144*	*28*	*50*	*66*		*1*				*100.0*	*100.0*	
Banks operating branches	*193*	*192*	*1*	*193*	*192*	*70*	*60*	*62*	*1*					*99.5*	*99.5*	
Branches	1,101	1,099	2	1,101	1,099	514	398	187	2					99.8	99.8	
Minnesota—all offices	**734**	**731**	**3**	**733**	**730**	**202**	**27**	**501**	**3**		**1**	**1**		**99.6**	**99.6**	100.0
Banks	724	721	3	723	720	196	27	497	3		1	1		99.6	99.6	100.0
Unit banks	*718*	*715*	*3*	*717*	*714*	*194*	*27*	*493*	*3*		*1*	*1*		*99.6*	*99.6*	*100.0*
Banks operating branches	*6*	*6*		*6*	*6*	*2*		*4*						*100.0*	*100.0*	
Branches	10	10		10	10	6		4						100.0	100.0	
Mississippi—all offices	**481**	**481**		**481**	**481**	**159**	**19**	**303**						**100.0**	**100.0**	
Banks	185	185		185	185	40	6	139						100.0	100.0	
Unit banks	*83*	*83*		*83*	*83*	*8*	*1*	*74*						*100.0*	*100.0*	
Banks operating branches	*102*	*102*		*102*	*102*	*32*	*5*	*65*						*100.0*	*100.0*	
Branches	296	296		296	296	119	13	164						100.0	100.0	
Missouri—all offices	**752**	**744**	**8**	**752**	**744**	**120**	**94**	**530**	**5**	**3**				**99.3**	**99.3**	
Banks	667	659	8	667	659	98	76	485	5	3				99.2	99.2	
Unit banks	*582*	*574*	*8*	*582*	*574*	*76*	*58*	*440*	*5*	*3*				*99.1*	*99.1*	
Banks operating branches	*85*	*85*		*85*	*85*	*22*	*18*	*45*						*100.0*	*100.0*	
Branches	85	85		85	85	22	18	45						100.0	100.0	
Montana—all offices	**140**	**139**	**1**	**140**	**139**	**51**	**42**	**46**		**1**				**100.0**	**100.0**	
Banks	135	134	1	135	134	48	40	46		1				100.0	100.0	
Unit banks	*130*	*129*	*1*	*130*	*129*	*45*	*38*	*46*		*1*				*100.0*	*100.0*	
Banks operating branches	*5*	*5*		*5*	*5*	*3*	*2*							*100.0*	*100.0*	
Branches	5	5		5	5	3	2							100.0	100.0	
Nebraska—all offices	**478**	**472**	**6**	**478**	**472**	**147**	**13**	**312**	**1**	**5**				**99.8**	**99.8**	
Banks	441	435	6	441	435	127	12	296	1	5				99.8	99.8	
Unit banks	*405*	*399*	*6*	*405*	*399*	*107*	*11*	*281*	*1*	*5*				*99.7*	*99.7*	
Banks operating branches	*36*	*36*		*36*	*36*	*20*	*1*	*15*						*100.0*	*100.0*	
Branches	37	37		37	37	20	1	16						100.0	100.0	

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968—CONTINUED

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks			Percentage insured[1]		
					Insured				Noninsured							
						Members F.R. System										
	Total	Insured	Non-insured	Total	Total	National	State	Not members F.R. System	Banks of deposit[2]	Nondeposit trust companies[3]	Total	Insured	Non-insured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
Nevada—all offices	87	87		87	87	60	14	13	......					100.0	100.0	
Banks	9	9		9	9	4	2	3						100.0	100.0	
Unit banks	2	2		2	2	1		1						100.0	100.0	
Banks operating branches	7	7		7	7	3	2	2						100.0	100.0	
Branches	78	78		78	78	56	12	10						100.0	100.0	
New Hampshire—all offices	160	157	3	118	115	86	2	27	3		42	42		98.1	97.5	100.0
Banks	109	106	3	77	74	52	1	21	3		32	32		97.2	96.1	100.0
Unit banks	71	68	3	47	44	28		16	3		24	24		95.8	93.6	100.0
Banks operating branches	38	38		30	30	24	1	5			8	8		100.0	100.0	100.0
Branches	51	51		41	41	34	1	6			10	10		100.0	100.0	100.0
New Jersey—all offices	1,079	1,076	3	1,026	1,023	666	212	145		3	53	53		100.0	100.0	100.0
Banks	250	247	3	229	226	143	40	43		3	21	21		100.0	100.0	100.0
Unit banks	64	61	3	55	52	34	8	10		3	9	9		100.0	100.0	100.0
Banks operating branches	186	186		174	174	109	32	33			12	12		100.0	100.0	100.0
Branches	829	829		797	797	523	172	102			32	32		100.0	100.0	100.0
New Mexico—all offices	177	177		177	177	94	11	72						100.0	100.0	
Banks	63	63		63	63	33	6	24						100.0	100.0	
Unit banks	20	20		20	20	13	3	4						100.0	100.0	
Banks operating branches	43	43		43	43	20	3	20						100.0	100.0	
Branches	114	114		114	114	61	5	48						100.0	100.0	
New York—all offices	2,945	2,914	31	2,533	2,502	1,289	1,064	149	24	7	412	412		99.2	99.0	100.0
Banks	444	421	23	319	296	176	78	42	17	6	125	125		96.1	94.6	100.0
Unit banks	173	157	16	139	123	76	26	21	11	5	34	34		93.5	91.8	100.0
Banks operating branches	271	264	7	180	173	100	52	21	6	1	91	91		97.8	96.6	100.0
Branches[4]	2,501	2,493	8	2,214	2,206	1,113	986	107	7	1	287	287		99.7	99.7	100.0
North Carolina—all offices	1,051	1,044	7	1,051	1,044	350	131	563	7					99.3	99.3	
Banks	121	120	1	121	120	22	4	94	1					99.2	99.2	
Unit banks	46	46		46	46	6	1	39						100.0	100.0	
Banks operating branches	75	74	1	75	74	16	3	55	1					98.7	98.7	
Branches	930	924	6	930	924	328	127	469	6					99.4	99.4	

North Dakota—all offices	**238**	**233**	**5**	**238**	**233**	**53**	**6**	**174**	**5**					**97.9**	**97.9**	
Banks	169	166	3	169	166	42	4	120	3					98.2	98.2	
Unit banks	*119*	*117*	*2*	*119*	*117*	*32*	*3*	*82*	*2*					*98.3*	*98.3*	
Banks operating branches	*50*	*49*	*1*	*50*	*49*	*10*	*1*	*38*	*1*					*98.0*	*98.0*	
Branches	69	67	2	69	67	11	2	54	2					97.1	97.1	
Ohio—all offices	**1,656**	**1,655**	**1**	**1,655**	**1,654**	**864**	**454**	**336**	**1**		**1**	**1**		**99.9**	**99.9**	**100.0**
Banks	526	525	1	525	524	218	126	180	1		1	1		99.8	99.8	100.0
Unit banks	*265*	*264*	*1*	*264*	*263*	*80*	*72*	*111*	*1*		*1*	*1*		*99.6*	*99.6*	*100.0*
Banks operating branches	*261*	*261*		*261*	*261*	*138*	*54*	*69*						*100.0*	*100.0*	
Branches	1,130	1,130		1,130	1,130	646	328	156						100.0	100.0	
Oklahoma—all offices	**479**	**478**	**1**	**479**	**478**	**262**	**26**	**190**		**1**				**100.0**	**100.0**	
Banks	424	423	1	424	423	220	23	180		1				100.0	100.0	
Unit banks	*372*	*371*	*1*	*372*	*371*	*181*	*20*	*170*		*1*				*100.0*	*100.0*	
Banks operating branches	*52*	*52*		*52*	*52*	*39*	*3*	*10*						*100.0*	*100.0*	
Branches	55	55		55	55	42	3	10						100.0	100.0	
Oregon—all offices	**359**	**357**	**2**	**357**	**355**	**248**	**14**	**93**	**2**		**2**	**2**		**99.4**	**99.4**	**100.0**
Banks	51	49	2	50	48	11	2	35	2		1	1		96.1	96.0	100.0
Unit banks	*22*	*20*	*2*	*22*	*20*	*4*	*1*	*15*	*2*					*90.9*	*90.9*	
Banks operating branches	*29*	*29*		*28*	*28*	*7*	*1*	*20*			*1*	*1*		*100.0*	*100.0*	*100.0*
Branches[4]	308	308		307	307	237	12	58			1	1		100.0	100.0	100.0
Pennsylvania—all offices	**2,113**	**2,102**	**11**	**2,028**	**2,017**	**1,272**	**259**	**486**	**8**	**3**	**85**	**85**		**99.6**	**99.6**	**100.0**
Banks	516	507	9	509	500	327	31	142	6	3	7	7		98.8	98.8	100.0
Unit banks	*271*	*263*	*8*	*270*	*262*	*174*	*13*	*75*	*5*	*3*	*1*	*1*		*98.1*	*98.1*	*100.0*
Banks operating branches	*245*	*244*	*1*	*239*	*238*	*153*	*18*	*67*	*1*		*6*	*6*		*99.6*	*99.6*	*100.0*
Branches[4]	1,597	1,595	2	1,519	1,517	945	228	344	2		78	78		99.9	99.9	100.0
Rhode Island—all offices	**242**	**233**	**9**	**171**	**162**	**63**	**30**	**69**	**9**		**71**	**71**		**96.3**	**94.7**	**100.0**
Banks	20	18	2	13	11	4	1	6	2		7	7		90.0	84.6	100.0
Unit banks																
Banks operating branches	*20*	*18*	*2*	*13*	*11*	*4*	*1*	*6*	*2*		*7*	*7*		*90.0*	*84.6*	*100.0*
Branches	222	215	7	158	151	59	29	63	7		64	64		96.8	95.6	100.0
South Carolina—all offices	**469**	**468**	**1**	**469**	**468**	**242**	**11**	**215**	**1**					**99.8**	**99.8**	
Banks	118	117	1	118	117	24	6	87	1					99.2	99.2	
Unit banks	*51*	*50*	*1*	*51*	*50*	*4*	*3*	*43*	*1*					*98.0*	*98.0*	
Banks operating branches	*67*	*67*		*67*	*67*	*20*	*3*	*44*						*100.0*	*100.0*	
Branches	351	351		351	351	218	5	128						100.0	100.0	
South Dakota—all offices	**256**	**255**	**1**	**256**	**255**	**86**	**28**	**141**	**1**					**99.6**	**99.6**	
Banks	165	164	1	165	164	34	24	106	1					99.4	99.4	
Unit banks	*126*	*125*	*1*	*126*	*125*	*24*	*21*	*80*	*1*					*99.2*	*99.2*	
Banks operating branches	*39*	*39*		*39*	*39*	*10*	*3*	*26*						*100.0*	*100.0*	
Branches	91	91		91	91	52	4	35						100.0	100.0	
Tennessee—all offices	**720**	**715**	**5**	**720**	**715**	**324**	**41**	**350**	**4**	**1**				**99.4**	**99.4**	
Banks	303	299	4	303	299	77	10	212	3	1				99.0	99.0	
Unit banks	*172*	*169*	*3*	*172*	*169*	*20*	*5*	*144*	*2*	*1*				*98.8*	*98.8*	
Banks operating branches	*131*	*130*	*1*	*131*	*130*	*57*	*5*	*68*	*1*					*99.2*	*99.2*	
Branches	417	416	1	417	416	247	31	138	1					99.8	99.8	

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968—CONTINUED

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks			Percentage insured[1]		
					Insured				Noninsured							
						Members F.R. System										
	Total	Insured	Noninsured	Total	Total	National	State	Not members F.R. System	Banks of deposit[2]	Nondeposit trust companies[3]	Total	Insured	Noninsured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
Texas—all offices	**1,214**	**1,205**	**9**	**1,214**	**1,205**	**556**	**68**	**581**	**9**					99.3	99.3	
Banks	1,151	1,142	9	1,151	1,142	535	61	546	9					99.2	99.2	
Unit banks	*1,091*	*1,082*	*9*	*1,091*	*1,082*	*516*	*54*	*512*	*9*					*99.2*	*99.2*	
Banks operating branches	*60*	*60*		*60*	*60*	*19*	*7*	*34*						*100.0*	*100.0*	
Branches	63	63		63	63	21	7	35						100.0	100.0	
Utah—all offices	**169**	**169**		**169**	**169**	**72**	**33**	**64**						**100.0**	**100.0**	
Banks	54	54		54	54	12	8	34						100.0	100.0	
Unit banks	*35*	*35*		*35*	*35*	*9*	*4*	*22*						*100.0*	*100.0*	
Banks operating branches	*19*	*19*		*19*	*19*	*3*	*4*	*12*						*100.0*	*100.0*	
Branches	115	115		115	115	60	25	30						100.0	100.0	
Vermont—all offices	**124**	**123**	**1**	**116**	**115**	**68**		**47**		**1**	**8**	**8**		**100.0**	**100.0**	**100.0**
Banks	51	50	1	45	44	27		17		1	6	6		100.0	100.0	100.0
Unit banks	*26*	*25*	*1*	*22*	*21*	*13*		*8*		*1*	*4*	*4*		*100.0*	*100.0*	*100.0*
Banks operating branches	*25*	*25*		*23*	*23*	*14*		*9*			*2*	*2*		*100.0*	*100.0*	*100.0*
Branches	73	73		71	71	41		30			2	2		100.0	100.0	100.0
Virginia—all offices	**946**	**946**		**946**	**946**	**541**	**154**	**251**						**100.0**	**100.0**	
Banks	237	237		237	237	107	45	85						100.0	100.0	
Unit banks	*88*	*88*		*88*	*88*	*30*	*23*	*35*						*100.0*	*100.0*	
Banks operating branches	*149*	*149*		*149*	*149*	*77*	*22*	*50*						*100.0*	*100.0*	
Branches	709	709		709	709	434	109	166						100.0	100.0	
Washington—all offices	**627**	**626**	**1**	**581**	**580**	**422**	**43**	**115**	**1**		**46**	**46**		**99.8**	**99.8**	**100.0**
Banks	101	100	1	94	93	27	8	58	1		7	7		99.0	98.9	100.0
Unit banks	*47*	*46*	*1*	*46*	*45*	*12*	*3*	*30*	*1*		*1*	*1*		*97.9*	*97.8*	*100.0*
Banks operating branches	*54*	*54*		*48*	*48*	*15*	*5*	*28*			*6*	*6*		*100.0*	*100.0*	*100.0*
Branches[4]	526	526		487	487	395	35	57			39	39		100.0	100.0	100.0
West Virginia—all offices	**199**	**199**		**199**	**199**	**80**	**36**	**83**						**100.0**	**100.0**	
Banks	195	195		195	195	80	34	81						100.0	100.0	
Unit banks	*191*	*191*		*191*	*191*	*80*	*32*	*79*						*100.0*	*100.0*	
Banks operating branches	*4*	*4*		*4*	*4*		*2*	*2*						*100.0*	*100.0*	
Branches	4	4		4	4		2	2						100.0	100.0	

Wisconsin—all offices	**829**	**825**	**4**	**826**	**822**	**165**	**67**	**590**	**1**	**3**	**3**	**3**		**99.9**	**99.9**	**100.0**
Banks	606	602	4	603	599	117	49	433	1	3	3	3		99.8	99.8	100.0
Unit banks	*466*	*462*	*4*	*463*	*459*	*90*	*40*	*329*	*1*	*3*	*3*	*3*		*99.8*	*99.8*	*100.0*
Banks operating branches	*140*	*140*		*140*	*140*	*27*	*9*	*104*						*100.0*	*100.0*	
Branches	223	223		223	223	48	18	157						100.0	100.0	
Wyoming—all offices	**71**	**71**		**71**	**71**	**41**	**13**	**17**						**100.0**	**100.0**	
Banks	70	70		70	70	40	13	17						100.0	100.0	
Unit banks	*69*	*69*		*69*	*69*	*39*	*13*	*17*						*100.0*	*100.0*	
Banks operating branches	*1*	*1*		*1*	*1*	*1*								*100.0*	*100.0*	
Branches	1	1		1	1	1								100.0	100.0	
Other Areas																
Pacific Islands—all offices[5]	**14**	**5**	**9**	**14**	**5**	**4**		**1**	**9**					**35.7**	**35.7**	
Banks	1		1	1					1							
Unit banks[6]	*1*		*1*	*1*					*1*							
Banks operating branches																
Branches[7]	13	5	8	13	5	4		1	8					38.5	38.5	
Panama Canal Zone—all offices	**2**		**2**	**2**					**2**							
Banks																
Unit banks																
Banks operating branches																
Branches[8]	2		2	2					2							
Puerto Rico—all offices	**188**	**173**	**15**	**187**	**172**	**17**		**155**	**15**		**1**	**1**		**92.0**	**92.0**	**100.0**
Banks	13	8	5	12	7			7	5		1	1		61.5	58.3	100.0
Unit banks	*3*	*1*	*2*	*2*				*2*			*1*	*1*		*33.3*		*100.0*
Banks operating branches	*10*	*7*	*3*	*10*	*7*			*7*	*3*					*70.0*	*70.0*	
Branches[9]	175	165	10	175	165	17		148	10					94.3	94.3	
Virgin Islands—all offices	**26**	**20**	**6**	**26**	**20**	**20**			**5**	**1**				**80.0**	**80.0**	
Banks	7	1	6	7	1	1			5	1				16.7	16.7	
Unit banks	*6*		*6*	*6*					*5*	*1*						
Banks operating branches	*1*	*1*		*1*	*1*	*1*								*100.0*	*100.0*	
Branches[10]	19	19		19	19	19								100.0	100.0	

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968—CONTINUED

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks			Percentage insured[1]		
	Total	Insured	Noninsured	Total	Insured				Noninsured		Total	Insured	Noninsured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
					Total	Members F.R. System		Not members F.R. System	Banks of deposit[2]	Nondeposit trust companies[3]						
						National	State									

[1] Nondeposit trust companies are excluded in computing these percentages.

[2] Includes 10 noninsured branches of insured banks; 8 branches in the Pacific Islands and 2 in the Panama Canal Zone.

[3] Includes one trust company in Massachusetts, member of the F.R. System, operating one branch.

[4] Massachusetts: 1 branch operated by a noninsured bank in New York.
New York: 8 branches operated by two insured banks in Puerto Rico (not members of F.R. System).
Oregon: 1 branch operated by a national bank in California.
Pennsylvania: 2 branches—1 operated by a noninsured bank in New York and 1 operated by a national bank in New Jersey.
Washington: 2 branches operated by a national bank in California.

[5] United States possessions (American Samoa, Guam, Midway Islands, and Wake Island): Trust Territories (Kwajalein, Palau Islands, Ponape Island, Saipan and Truk Atoll).

[6] American Samoa.

[7] Pacific Islands: 13 branches.
Caroline Islands on Truk Atoll (Moen Island): 1 noninsured branch—operated by a national bank in California.
Mariana Islands: 5 branches—(4 insured on Guam and 1 noninsured on Saipan)—operated by a national bank in California.
Guam: 1 insured branch—operated by an insured bank in Hawaii (not member of F.R. System).
Caroline Islands: 2 noninsured branches— 1 on Palau Islands (Koror) and 1 on Ponape Island (Kolonia)—operated by a bank in Hawaii (not member of F.R. System).
Marshall Islands: Kwajalein Atoll—2 noninsured branches operated by a bank in Hawaii (not member of F.R. System).
Midway Islands on Sand Island: 1 noninsured branch operated by a bank in Hawaii (not member of F.R. System).
Wake Island: 1 noninsured branch operated by an insured bank in Hawaii (not member of F.R. System).

[8] Panama Canal Zone: 2 noninsured branches operated by 2 national banks in New York.

[9] Puerto Rico: 17 insured branches operated by 2 national banks in New York.

[10] Virgin Islands: 13 insured branches operated by 2 national banks in New York; and 1 national bank in California.

Table 104. NUMBER AND DEPOSITS OF ALL COMMERCIAL AND MUTUAL SAVINGS BANKS, (STATES AND OTHER AREAS), DECEMBER 31, 1968

BANKS GROUPED BY CLASS AND BY DEPOSIT SIZE

Deposit size	All banks	Insured commercial banks				Non-insured banks and trust companies	Mutual savings banks	
		Total	Members F.R. System		Not members F.R. System		Insured	Non-insured
			National	State				
Number of Banks								
Less Than $1,000,000	371	258	23	8	227	113	. .	.
$1,000,000 To $2,000,000	1,259	1,234	162	57	1,015	23	1	1
$2,000,000 To $5,000,000	3,682	3,650	839	269	2,542	19	11	2
$5,000,000 To $10,000,000	3,465	3,414	1,219	311	1,884	16	16	19
$10,000,000 To $25,000,000	3,090	2,952	1,348	309	1,295	15	79	44
$25,000,000 To $50,000,000	1,134	1,025	543	123	359	5	52	52
$50,000,000 To $100,000,000	574	465	266	68	131	11	63	35
$100,000,000 To $500,000,000	483	382	244	84	54	8	80	13
$500,000,000 Or More	141	108	72	32	4	. . . .	32	1
Total	**14,199**	**13,488**	**4,716**	**1,261**	**7,511**	**210**	**334**	**167**
Amount of Deposits				(In Thousands)				
Less Than $1,000,000	221,399	188,615	18,640	5,352	164,623	32,784	. . . .	. . . .
$1,000,000 To $2,000,000	1,932,886	1,891,136	260,293	89,708	1,541,135	38,227	1,946	1,577
$2,000,000 To $5,000,000	12,526,123	12,421,158	3,016,773	948,105	8,456,280	54,577	43,849	6,539
$5,000,000 To $10,000,000	24,971,923	24,593,602	8,976,449	2,245,008	13,372,145	109,995	127,710	140,616
$10,000,000 To $25,000,000	47,864,048	45,446,560	21,072,977	4,949,375	19,424,208	266,148	1,386,942	764,398
$25,000,000 To $50,000,000	39,027,282	35,175,803	18,727,257	4,244,349	12,204,197	187,990	1,786,958	1,876,531
$50,000,000 To $100,000,000	39,631,760	32,062,435	18,281,770	4,731,576	9,049,089	754,110	4,376,277	2,438,938
$100,000,000 To $500,000,000	103,238,397	81,078,697	52,264,980	17,925,251	10,888,466	1,393,272	18,500,779	2,265,649
$500,000,000 Or More	232,998,793	201,793,693	136,035,854	63,328,665	2,429,174	. . . .	30,636,863	568,237
Total	**502,412,611**	**434,651,699**	**258,654,993**	**98,467,389**	**77,529,317**	**2,837,103**	**56,861,324**	**8,062,485**

ASSETS AND LIABILITIES OF BANKS

Table 105. Assets and liabilities of all banks in the United States (States and other areas), June 29, 1968
Banks grouped according to insurance status and type of bank

Table 106. Assets and liabilities of all banks in the United States (States and other areas), December 31, 1968
Banks grouped according to insurance status and type of bank

Table 107. Assets and liabilities of insured commercial and insured mutual savings banks in the United States (States and other areas), December call dates, 1964 through 1968

Table 108. Assets and liabilities of insured commercial banks in the United States (States and other areas), December 31, 1968
Banks grouped by class of bank

Table 109. Assets and liabilities of insured commercial banks operating throughout 1968 in the United States (States and other areas), December 31, 1968
Banks grouped according to amount of deposits

Table 110. Percentages of assets and liabilities of insured commercial banks operating throughout 1968 in the United States (States and other areas), December 31, 1968
Banks grouped according to amount of deposits

Table 111. Distribution of insured commercial banks in the United States (States and other areas), December 31, 1968
Banks grouped according to amount of deposits and by ratios of selected items to assets or deposits

Statements of assets and liabilities are submitted by insured commercial banks upon either a cash or an accrual basis, depending upon the bank's method of bookkeeping. Assets reported represent aggregate book value, on the date of call, less valuation and premium reserves.

Assets and liabilities held in or administered by a savings, bond, insurance, real estate, foreign, or any other department of a bank, except a trust department, are consolidated with the respective assets and liabilities of the commercial department. "Deposits of individuals, partnerships, and corporations" include trust funds deposited by a trust department in a commercial or savings department. Other assets held in trust are not included in statements of assets and liabilities.

In the case of banks with one or more domestic branches, the assets and liabilities reported are consolidations of figures for the head office and all domestic branches. In the case of a bank with foreign branches, net amounts due from its own foreign branches are included in "Other assets," and net amounts due to its own foreign branches are included in "Other liabilities." Branches outside the 50 States of insured banks in the United States are treated as separate entities but as in the case of other branches are not included in the count of banks. Data for such branches are not included in the figures for the States in which the parent banks are located.

Demand balances with and demand deposits due to banks in the United States, except private banks and American branches of foreign banks, exclude reciprocal interbank deposits. Reciprocal interbank deposits arise when two banks maintain deposit accounts with each other.

Individual loan items are reported gross instead of net of valuation reserves. Accordingly, reserves for losses on loans are shown separately.

Instalment loans are ordinarily reported net if the instalment payments are applied directly to the reduction of the loan. Such loans are reported gross if, under contract, the payments do not immediately reduce the unpaid balances of the loan but are assigned or pledged to assure repayment at maturity.

Asset and liability data for noninsured banks are tabulated from reports pertaining to the individual banks. In a few cases these reports are not as detailed as those submitted by insured banks, and some of the items reported have been allocated to more detailed categories according to the distribution of asset and liability data for insured State banks not members of the Federal Reserve System or for other noninsured banks.

Additional data on assets and liabilities of all banks as of June 29, 1968, and December 31, 1968, are shown in the Corporation's semiannual publication, "Assets, Liabilities, and Capital Accounts, Commercial and Mutual Savings Banks," Report of Call No. 84, and Report of Call No. 86. Data from Call No. 83, April 18, 1968, and Call No. 85, October 30, 1968, were not tabulated for all insured banks. Comparable tabulations for State and national banks were not feasible because of a change in the form used for national institutions.

Sources of data

National banks and State banks in the District of Columbia not members of the Federal Reserve System: Office of the Comptroller of the Currency.

State banks members of the Federal Reserve System: Board of Governors of the Federal Reserve System.

Other insured banks: Federal Deposit Insurance Corporation.

Noninsured banks: State banking authorities; and reports from individual banks.

Table 105. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), JUNE 29, 1968

BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK

(Amounts in thousands of dollars)

Asset, liability, or capital account item	All banks			Commercial banks and nondeposit trust companies				Mutual savings banks		
	Total	Insured	Noninsured	Total	Insured	Noninsured		Total	Insured	Noninsured
						Banks of deposit[1]	Nondeposit trust companies[2]			
Total assets	**529,605,827**	**516,433,708**	**13,172,119**	**460,574,990**	**456,304,063**	**3,921,106**	**349,821**	**69,030,837**	**60,129,645**	**8,901,192**
Cash, balances with other banks, and cash collection items—total	**76,521,342**	**75,683,622**	**837,720**	**75,562,258**	**74,850,297**	**671,541**	**40,420**	**959,084**	**833,325**	**125,759**
Currency and coin	5,378,866	5,326,767	52,099	5,220,145	5,195,426	24,247	472	158,721	131,341	27,380
Reserve with F.R. Banks (member banks)	20,846,460	20,846,460		20,846,460	20,846,460					
Demand balances with banks in U.S.	15,817,302	15,181,417	635,885	15,285,387	14,725,010	526,415	33,962	531,915	456,407	75,508
Other balances with banks in U.S.	481,670	428,283	53,387	305,931	262,814	37,146	5,971	175,739	165,469	10,270
Balances with banks in foreign countries	267,712	215,585	52,127	267,712	215,585	52,127				
Cash items in process of collection	33,729,332	33,685,110	44,222	33,636,623	33,605,002	31,606	15	92,709	80,108	12,601
Securities—total	**137,166,275**	**133,569,614**	**3,596,661**	**123,407,724**	**122,205,094**	**962,728**	**239,902**	**13,758,551**	**11,364,520**	**2,394,031**
U.S. Gov't. obligations (including guaranteed)	63,010,139	61,350,167	1,659,972	58,804,977	58,310,834	428,595	65,548	4,205,162	3,039,333	1,165,829
Obligations of States and subdivisions	52,998,476	52,654,166	344,310	52,794,056	52,459,902	256,707	77,447	204,420	194,264	10,156
Securities of Federal agencies and corporations	10,682,760	10,323,113	359,647	9,197,177	9,020,552	163,927	12,698	1,485,583	1,302,561	183,022
Other securities	10,474,900	9,242,168	1,232,732	2,611,514	2,413,806	113,499	84,209	7,863,386	6,828,362	1,035,024
Loans and discounts, net—total	**300,381,236**	**292,037,907**	**8,343,329**	**247,283,430**	**245,223,242**	**2,021,267**	**38,921**	**53,097,806**	**46,814,665**	**6,283,141**
Valuation reserves	4,973,092	4,948,632	24,460	4,839,061	4,826,295	12,369	397	134,031	122,337	11,694
Loans and discounts, gross—total	**305,354,328**	**296,986,539**	**8,367,789**	**252,122,491**	**250,049,537**	**2,033,636**	**39,318**	**53,231,837**	**46,937,002**	**6,294,835**
Real estate loans—total	113,760,122	107,368,978	6,391,144	61,966,654	61,633,253	323,976	9,425	51,793,468	45,735,725	6,057,743
Secured by farm land	*3,870,334*	*3,841,294*	*29,040*	*3,755,661*	*3,731,675*	*23,303*	*683*	*114,673*	*109,619*	*5,054*
Secured by residential properties:										
Insured by FHA	*22,924,204*	*21,814,032*	*1,110,172*	*7,678,376*	*7,590,526*	*86,865*	*985*	*15,245,828*	*14,223,506*	*1,022,322*
Guaranteed by VA	*14,566,326*	*13,426,878*	*1,139,448*	*2,647,944*	*2,578,432*	*69,508*	*4*	*11,918,382*	*10,848,446*	*1,069,936*
Not insured or guaranteed by FHA or VA	*47,192,740*	*44,074,329*	*3,118,411*	*28,786,571*	*28,696,296*	*84,420*	*5,855*	*18,406,169*	*15,378,033*	*3,028,136*
Secured by other properties	*25,206,518*	*24,212,445*	*994,073*	*19,098,102*	*19,036,324*	*59,880*	*1,898*	*6,108,416*	*5,176,121*	*932,295*
Loans to commercial and foreign banks	1,979,614	1,917,409	62,205	1,944,619	1,882,414	62,166	39	34,995	34,995	
Loans to other financial institutions	12,254,999	12,091,217	163,782	12,238,433	12,074,724	163,575	134	16,566	16,493	73
Federal funds sold (loaned)[3]	4,812,933	4,655,442	157,491	4,812,933	4,655,442	155,711	1,780			
Loans to brokers and dealers in securities	5,013,542	4,786,196	227,346	4,949,842	4,722,697	219,425	7,720	63,700	63,499	201
Other loans for carrying securities	3,740,487	3,675,900	64,587	3,736,049	3,672,939	55,851	7,259	4,438	2,961	1,477
Loans to farmers (excluding real estate)	10,007,270	9,985,208	22,062	10,005,735	9,983,673	21,884	178	1,535	1,535	
Commercial and industrial loans	92,216,953	91,479,216	737,737	91,944,657	91,220,531	716,880	7,246	272,296	258,685	13,611
Other loans to individuals	53,896,996	53,462,256	434,740	52,892,309	52,663,574	225,774	2,961	1,004,687	798,682	206,005
All other loans (including overdrafts)	6,072,768	5,966,088	106,680	6,032,616	5,941,661	88,379	2,576	40,152	24,427	15,725
Other assets—total	**15,536,974**	**15,142,565**	**394,409**	**14,321,578**	**14,025,430**	**265,570**	**30,578**	**1,215,396**	**1,117,135**	**98,261**
Bank premises, furniture and fixtures, and real estate	7,241,086	7,135,898	105,188	6,680,302	6,641,070	26,307	12,925	560,784	494,828	65,956
All other miscellaneous assets	8,295,888	8,006,667	289,221	7,641,276	7,384,360	239,263	17,653	654,612	622,307	32,305

Total liabilities and capital accounts	**529,605,827**	**516,433,708**	**13,172,119**	**460,574,990**	**456,304,063**	**3,921,106**	**349,821**	**69,030,837**	**60,129,645**	**8,901,192**
Business and personal deposits—total	**394,473,522**	**384,588,175**	**9,885,347**	**331,644,377**	**329,636,610**	**1,863,467**	**144,300**	**62,829,145**	**54,951,565**	**7,877,580**
Individuals, partnerships, and corporations—demand	151,689,504	150,672,723	1,016,781	151,176,429	150,199,663	875,348	101,418	513,075	473,060	40,015
Deposits of savings and loan associations	*2,248,099*	*2,245,298*	*2,801*	*2,248,099*	*2,245,298*	*2,801*				
Other deposits of individuals, partnerships, and corporations	*149,441,405*	*148,427,425*	*1,013,980*	*148,928,330*	*147,954,365*	*872,547*	*101,418*	*513,075*	*473,060*	*40,015*
Individuals, partnerships, and corporations—time	232,602,281	223,974,630	8,627,651	170,304,219	169,513,060	748,379	42,780	62,298,062	54,461,570	7,836,492
Savings deposits	*156,978,343*	*148,837,949*	*8,140,394*	*95,310,181*	*94,987,520*	*300,470*	*22,191*	*61,668,162*	*53,850,429*	*7,817,733*
Deposits accumulated for payment of personal loans	*1,239,977*	*1,235,487*	*4,490*	*1,239,785*	*1,235,487*	*4,298*		*192*		*192*
Deposits of savings and loan associations	*350,512*	*350,361*	*151*	*350,512*	*350,361*	*151*				
Other deposits of individuals, partnerships, and corporations	*74,033,449*	*73,550,833*	*482,616*	*73,403,741*	*72,939,692*	*443,460*	*20,589*	*629,708*	*611,141*	*18,567*
Certified and officers' checks, letters of credit, travelers' checks, etc.	10,181,737	9,940,822	240,915	10,163,729	9,923,887	239,740	102	18,008	16,935	1,073
Government deposits—total	**38,361,040**	**38,143,106**	**217,934**	**38,320,331**	**38,104,130**	**213,853**	**2,348**	**40,709**	**38,976**	**1,733**
United States Government—demand	4,997,886	4,966,790	31,096	4,991,204	4,960,779	28,077	2,348	6,682	6,011	671
United States Government—time	332,982	330,683	2,299	332,646	330,347	2,299		336	336	
States and subdivisions—demand	16,407,603	16,305,251	102,352	16,405,459	16,303,108	102,351		2,144	2,143	1
States and subdivisions—time	16,622,569	16,540,382	82,187	16,591,022	16,509,896	81,126		31,547	30,486	1,061
Domestic interbank deposits—total	**19,522,266**	**19,300,603**	**221,663**	**19,521,155**	**19,299,492**	**221,084**	**579**	**1,111**	**1,111**	
Commercial banks in the U.S.—demand	17,684,654	17,646,205	38,449	17,684,531	17,646,082	37,870	579	123	123	
Commercial banks in the U.S.—time	594,119	592,119	2,000	593,131	591,131	2,000		988	988	
Mutual savings banks in the U.S.—demand	990,556	862,411	128,145	990,556	862,411	128,145				
Mutual savings banks in the U.S.—time	252,937	199,868	53,069	252,937	199,868	53,069				
Foreign government and bank deposits—total	**7,789,107**	**7,502,976**	**286,131**	**7,788,953**	**7,502,822**	**283,963**	**2,168**	**154**	**154**	
Foreign governments, central banks, etc.—demand	789,749	758,371	31,378	789,601	758,223	30,307	1,071	148	148	
Foreign governments, central banks, etc.—time	4,727,112	4,629,072	98,040	4,727,112	4,629,072	97,040	1,000			
Banks in foreign countries—demand	2,005,627	1,869,240	136,387	2,005,621	1,869,234	136,290	97	6	6	
Banks in foreign countries—time	266,619	246,293	20,326	266,619	246,293	20,326				
Total deposits	**460,145,935**	**449,534,860**	**10,611,075**	**397,274,816**	**394,543,054**	**2,582,367**	**149,395**	**62,871,119**	**54,991,806**	**7,879,313**
Demand	*204,747,316*	*203,021,813*	*1,725,503*	*204,207,130*	*202,523,387*	*1,578,128*	*105,615*	*540,186*	*498,426*	*41,760*
Time	*255,398,619*	*245,513,047*	*8,885,572*	*193,067,686*	*192,019,667*	*1,004,239*	*43,780*	*62,330,933*	*54,493,380*	*7,837,553*
Other liabilities—total	**28,425,826**	**27,186,226**	**1,239,600**	**27,377,372**	**26,398,016**	**943,260**	**36,096**	**1,048,454**	**788,210**	**260,244**
Federal funds purchased (borrowed)	6,533,141	6,530,691	2,450	6,533,141	6,530,691	2,450				
Other liabilities for borrowed money	1,721,674	1,466,814	254,860	1,656,263	1,401,403	251,966	2,894	65,411	65,411	
All other miscellaneous liabilities	20,171,011	19,188,721	982,290	19,187,968	18,465,922	688,844	33,202	983,043	722,799	260,244
Total liabilities (excluding capital accounts)	**488,571,761**	**476,721,086**	**11,850,675**	**424,652,188**	**420,941,070**	**3,525,627**	**185,491**	**63,919,573**	**55,780,016**	**8,139,557**
Capital accounts—total	**41,034,066**	**39,712,622**	**1,321,444**	**35,922,802**	**35,362,993**	**395,479**	**164,330**	**5,111,264**	**4,349,629**	**761,635**
Capital notes and debentures	2,246,445	2,197,122	49,323	2,243,321	2,193,998	49,173	150	3,124	3,124	
Preferred stock	95,963	91,771	4,192	95,963	91,771	4,042	150			
Common stock	9,737,134	9,580,456	156,678	9,737,134	9,580,456	104,965	51,713			
Surplus	19,138,068	18,489,025	649,043	15,545,648	15,325,973	143,901	75,774	3,592,420	3,163,052	429,368
Undivided profits and reserves	9,816,456	9,354,248	462,208	8,300,736	8,170,795	93,398	36,543	1,515,720	1,183,453	332,267
Number of banks[5]	14,245	13,851	394	13,743	13,519	174	50	502	332	170

[1] Includes asset and liability figures for 14 branches of foreign banks (tabulated as banks) licensed to do a deposit business in the State of New York. Capital is not allocated to these branches by the parent banks.

[2] Amounts shown as deposits are special accounts and uninvested trust funds with the latter classified as demand deposits of individuals, partnerships and corporations.

[3] Also includes securities purchased under agreements to resell.

[4] Also includes securities sold under agreements to repurchase.

[5] Includes 2 noninsured banks of deposit for which asset and liability data are not available.

Table 106. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968

BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK

(Amounts in thousands of dollars)

Asset, liability, or capital account item	All banks			Commercial banks and nondeposit trust companies				Mutual savings banks		
	Total	Insured	Non-insured	Total	Insured	Noninsured: Banks of deposit[1]	Noninsured: Non-deposit trust companies[2]	Total	Insured	Non-insured
Total assets	**575,787,760**	**562,361,406**	**13,426,354**	**504,637,017**	**500,237,915**	**4,015,014**	**384,088**	**71,150,743**	**62,123,491**	**9,027,252**
Cash, balances with other banks, and cash collection items—total	**85,000,874**	**84,153,009**	**847,865**	**84,004,881**	**83,269,951**	**686,029**	**48,901**	**995,993**	**883,058**	**112,935**
Currency and coin	7,447,147	7,380,968	66,179	7,251,912	7,216,003	34,970	939	195,235	164,965	30,270
Reserve with F.R. Banks (member banks)	21,230,246	21,230,246	....	21,230,246	21,230,246	.....	....	....	.....	.....
Demand balances with banks in U.S.	19,199,133	18,587,611	611,522	18,629,304	18,089,886	497,857	41,561	569,829	497,725	72,104
Other balances with banks in U.S.	544,644	492,527	52,117	385,848	334,917	44,542	6,389	158,796	157,610	1,186
Balances with banks in foreign countries	337,411	264,433	72,978	337,411	264,433	72,978	..	....	.....	..
Cash items in process of collection	36,242,293	36,197,224	45,069	36,170,160	36,134,466	35,682	12	72,133	62,758	9,375
Securities—total	**150,558,116**	**147,045,263**	**3,512,853**	**136,455,855**	**135,242,315**	**953,064**	**260,476**	**14,102,261**	**11,802,948**	**2,299,313**
U.S. Gov't. obligations (including guaranteed)	68,504,628	67,026,220	1,478,408	64,685,769	64,171,324	446,337	68,108	3,818,859	2,854,896	963,963
Obligations of States and subdivisions	58,926,201	58,576,949	349,252	58,732,147	58,391,738	254,971	85,438	194,054	185,211	8,843
Securities of Federal agencies and corporations	11,702,715	11,316,897	385,818	10,267,943	10,081,641	171,014	15,288	1,434,772	1,235,256	199,516
Other securities	11,424,572	10,125,197	1,299,375	2,769,996	2,597,612	80,742	91,642	8,654,576	7,527,585	1,126,991
Loans and discounts, net—total	**322,920,925**	**314,269,439**	**8,651,486**	**268,116,012**	**265,982,036**	**2,091,795**	**42,181**	**54,804,913**	**48,287,403**	**6,517,510**
Valuation reserves	5,359,554	5,337,693	21,861	5,226,897	5,215,817	10,534	546	132,657	121,876	10,781
Loans and discounts, gross—total	**328,280,479**	**319,607,132**	**8,673,347**	**273,342,909**	**271,197,853**	**2,102,329**	**42,727**	**54,937,570**	**48,409,279**	**6,528,291**
Real estate loans—total	119,152,648	112,510,150	6,642,498	65,696,232	65,332,745	353,067	10,420	53,456,416	47,177,405	6,279,011
Secured by farm land	*3,874,493*	*3,847,115*	*27,378*	*3,757,544*	*3,735,180*	*21,662*	*702*	*116,949*	*111,935*	*5,014*
Secured by residential properties:										
Insured by FHA	*23,494,655*	*22,310,079*	*1,184,576*	*7,926,106*	*7,809,567*	*115,531*	*1,008*	*15,568,549*	*14,500,512*	*1,068,037*
Guaranteed by VA	*14,740,309*	*13,566,789*	*1,173,520*	*2,707,611*	*2,626,560*	*81,047*	*4*	*12,032,698*	*10,940,229*	*1,092,469*
Not insured or guaranteed by FHA or VA	*49,946,067*	*46,742,449*	*3,203,618*	*30,799,644*	*30,712,679*	*79,042*	*7,923*	*19,146,423*	*16,029,770*	*3,116,653*
Secured by other properties	*27,097,124*	*26,043,718*	*1,053,406*	*20,505,327*	*20,448,759*	*55,785*	*783*	*6,591,797*	*5,594,959*	*996,838*
Loans to commercial and foreign banks	2,230,717	2,169,377	61,340	2,206,944	2,145,604	61,259	81	23,773	23,773	
Loans to other financial institutions	13,809,669	13,702,062	107,607	13,784,510	13,676,953	107,222	335	25,159	25,109	50
Federal funds sold (loaned)[3]	6,747,333	6,526,458	220,875	6,747,333	6,526,458	219,175	1,700	..	..	
Loans to brokers and dealers in securities	6,662,936	6,446,671	216,265	6,625,467	6,409,302	208,530	7,635	37,469	37,369	100
Other loans for carrying securities	4,121,198	4,074,043	47,155	4,114,267	4,068,900	35,394	9,973	6,931	5,143	1,788
Loans to farmers (excluding real estate)	9,734,256	9,713,819	20,437	9,732,847	9,712,410	20,247	190	1,409	1,409	
Commercial and industrial loans	99,222,110	98,398,981	823,129	98,970,808	98,161,381	801,908	7,519	251,302	237,600	13,702
Other loans to individuals	59,724,557	59,284,400	440,157	58,638,265	58,414,799	220,647	2,819	1,086,292	869,601	216,691
All other loans (including overdrafts)	6,875,055	6,781,171	93,884	6,826,236	6,749,301	74,880	2,055	48,819	31,870	16,949
Other assets—total	**17,307,845**	**16,893,695**	**414,150**	**16,060,269**	**15,743,613**	**284,126**	**32,530**	**1,247,576**	**1,150,082**	**97,494**
Bank premises, furniture and fixtures, and real estate	7,586,787	7,486,983	99,804	7,015,191	6,980,113	23,552	11,526	571,596	506,870	64,726
All other miscellaneous assets	9,721,058	9,406,712	314,346	9,045,078	8,763,500	260,574	21,004	675,980	643,212	32,768

Total liabilities and capital accounts	**575,787,760**	**562,361,406**	**13,426,354**	**504,637,017**	**500,237,915**	**4,015,014**	**384,088**	**71,150,743**	**62,123,491**	**9,027,252**
Business and personal deposits—total	**428,996,243**	**418,815,563**	**10,180,680**	**364,112,765**	**361,993,247**	**1,949,815**	**169,703**	**64,883,478**	**56,822,316**	**8,061,162**
Individuals, partnerships, and corporations—demand	173,544,354	172,470,750	1,073,604	173,059,950	172,006,973	925,687	127,290	484,404	463,777	20,627
Deposits of savings and loan associations	*2,453,039*	*2,450,683*	*2,356*	*2,453,039*	*2,450,683*	*2,356*				
Other deposits of individuals, partnerships, and corporations	*171,091,315*	*170,020,067*	*1,071,248*	*170,606,911*	*169,556,290*	*923,331*	*127,290*	*484,404*	*463,777*	*20,627*
Individuals, partnerships, and corporations—time	245,702,005	236,846,246	8,855,759	181,321,502	180,506,278	772,811	42,413	64,380,503	56,339,968	8,040,535
Savings deposits	*160,648,105*	*152,276,665*	*8,371,440*	*96,504,054*	*96,166,256*	*315,337*	*22,461*	*64,144,051*	*56,110,409*	*8,033,642*
Deposits accumulated for payment of personal loans	*1,219,719*	*1,215,522*	*4,197*	*1,219,630*	*1,215,522*	*4,108*		*89*		*89*
Deposits of savings and loan associations	*273,363*	*273,225*	*138*	*273,363*	*273,225*	*138*				
Other deposits of individuals, partnerships, and corporations	*83,560,818*	*83,080,834*	*479,984*	*83,324,455*	*82,851,275*	*453,228*	*19,952*	*236,363*	*229,559*	*6,804*
Certified and officers' checks, letters of credit, travelers' checks, etc.	9,749,884	9,498,567	251,317	9,731,313	9,479,996	251,317		18,571	18,571	
Government deposits—total	**41,628,907**	**41,422,008**	**206,899**	**41,590,854**	**41,385,278**	**203,245**	**2,331**	**38,053**	**36,730**	**1,323**
United States Government—demand	5,035,731	5,018,321	17,410	5,029,148	5,012,445	14,372	2,331	6,583	5,876	707
United States Government—time	379,252	376,984	2,268	378,874	376,629	2,245		378	355	23
States and subdivisions—demand	17,003,584	16,882,631	120,953	17,001,994	16,881,042	120,952		1,590	1,589	1
States and subdivisions—time	19,210,340	19,144,072	66,268	19,180,838	19,115,162	65,676		29,502	28,910	592
Domestic interbank deposits—total	**23,454,966**	**23,223,693**	**231,273**	**23,452,731**	**23,221,458**	**230,765**	**508**	**2,235**	**2,235**	
Commercial banks in the U.S.—demand	21,472,751	21,424,908	47,843	21,472,627	21,424,784	47,335	508	124	124	
Commercial banks in the U.S.—time	718,455	716,382	2,073	716,344	714,271	2,073		2,111	2,111	
Mutual savings banks in the U.S.—demand	1,079,765	933,799	145,966	1,079,765	933,799	145,966				
Mutual savings banks in the U.S.—time	183,995	148,604	35,391	183,995	148,604	35,391				
Foreign government and bank deposits—total	**8,332,495**	**8,051,759**	**280,736**	**8,332,452**	**8,051,716**	**279,276**	**1,460**	**43**	**43**	
Foreign governments, central banks, etc.—demand	902,081	866,907	35,174	902,059	866,885	34,842	332	22	22	
Foreign governments, central banks, etc.—time	4,851,319	4,752,732	98,587	4,851,319	4,752,732	97,587	1,000			
Banks in foreign countries—demand	2,247,082	2,118,779	128,303	2,247,061	2,118,758	128,175	128	21	21	
Banks in foreign countries—time	332,013	313,341	18,672	332,013	313,341	18,672				
Total deposits	**502,412,611**	**491,513,023**	**10,899,588**	**437,488,802**	**434,651,699**	**2,663,101**	**174,002**	**64,923,809**	**56,861,324**	**8,062,485**
Demand	*231,035,232*	*229,214,662*	*1,820,570*	*230,523,917*	*228,724,682*	*1,668,646*	*130,589*	*511,315*	*489,980*	*21,335*
Time	*271,377,379*	*262,298,361*	*9,079,018*	*206,964,885*	*205,927,017*	*994,455*	*43,413*	*64,412,494*	*56,371,344*	*8,041,150*
Other liabilities—total	**30,944,053**	**29,739,400**	**1,204,653**	**29,986,478**	**28,958,217**	**987,127**	**41,134**	**957,575**	**781,183**	**176,392**
Federal funds purchased (borrowed)[4]	7,472,000	7,468,200	3,800	7,472,000	7,468,200	3,800				
Other liabilities for borrowed money	1,564,333	1,285,254	279,079	1,491,553	1,214,440	272,987	4,126	72,780	70,814	1,966
All other miscellaneous liabilities	21,907,720	20,985,946	921,774	21,022,925	20,275,577	710,340	37,008	884,795	710,369	174,426
Total liabilities (excluding capital accounts)	**533,356,664**	**521,252,423**	**12,104,241**	**467,475,280**	**463,609,916**	**3,650,228**	**215,136**	**65,881,384**	**57,642,507**	**8,238,877**
Capital accounts—total	**42,431,096**	**41,108,983**	**1,322,113**	**37,161,737**	**36,627,999**	**364,786**	**168,952**	**5,269,359**	**4,480,984**	**788,375**
Capital notes and debentures	2,163,177	2,113,794	49,383	2,159,520	2,110,137	49,233	150	3,657	3,657	
Preferred stock	94,917	90,686	4,231	94,917	90,686	4,081	150			
Common stock	9,921,928	9,772,605	149,323	9,921,928	9,772,605	95,781	53,542			
Surplus	20,069,664	19,419,857	649,807	16,371,220	16,173,907	120,416	76,897	3,698,444	3,245,950	452,494
Undivided profits and reserves	10,181,410	9,712,041	469,369	8,614,152	8,480,664	95,275	38,213	1,567,258	1,231,377	335,881
Number of banks[5]	14,199	13,822	377	13,698	13,488	160	50	501	334	167

[1] Includes asset and liability figures for 13 branches of foreign banks (tabulated as banks) licensed to do a deposit business in the State of New York. Capital is not allocated to those branches by the parent banks.

[2] Amounts shown as deposits are special accounts and uninvested trust funds with the latter classified as demand deposits of individuals, partnerships, and corporations.

[3] Also includes securities purchased under agreements to resell.

[4] Also includes securities sold under agreements to repurchase.

[5] Includes 3 uninsured banks for which asset and liability data are not available.

Table 107. ASSETS AND LIABILITIES OF INSURED COMMERCIAL AND INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER CALL DATES, 1964 THROUGH 1968

(Amounts in thousands of dollars)

Assets	Insured commercial banks					Insured mutual savings banks				
	Dec. 31, 1964	Dec. 31, 1965	Dec. 31, 1966	Dec. 30, 1967	Dec. 31, 1968	Dec. 31, 1964	Dec. 31, 1965	Dec. 31, 1966	Dec. 30, 1967	Dec. 31, 1968
Total assets	**345,130,205**	**375,394,111**	**402,946,336**	**450,712,578**	**500,237,915**	**47,044,184**	**50,499,716**	**53,049,468**	**57,867,208**	**62,123,491**
Cash, balances with other banks, and cash collection items—total	60,032,916	60,436,719	68,651,850	77,532,592	83,269,951	893,139	904,000	847,825	881,596	883,058
Currency and coin	4,551,889	4,865,803	5,457,281	5,953,155	7,216,003	138,843	142,598	145,598	153,639	164,965
Reserve with Federal Reserve Banks (member banks)	17,580,743	17,992,395	19,068,820	20,275,051	21,230,246					
Demand balances with banks in the United States (except private banks and American branches of foreign banks)	14,090,586	14,354,186	15,136,611	16,520,060	18,089,886	476,644	493,600	474,276	46,378	497,725
Other balances with banks in the United States	558,335	484,817	257,066	544,658	334,917	224,274	212,193	166,743	202,325	157,610
Balances with banks in foreign countries	300,841	255,865	250,872	280,249	264,433					
Cash items in process of collection	22,950,522	22,483,653	28,481,200	33,959,419	36,134,466	53,378	55,609	61,219	64,254	62,758
Obligations of the U.S. Government, direct and guaranteed—total	**62,588,052**	**59,209,832**	**55,903,996**	**62,229,348**	**64,171,324**	**4,110,452**	**3,759,961**	**3,323,662**	**3,110,649**	**2,854,896**
Direct:										
Treasury bills and certificates of indebtedness	13,301,211					232,494	309,700	306,712	365,205	286,585
Treasury notes and other bonds maturing in 1 year or less	9,001,237					139,679	178,142	132,570	179,084	262,089
Treasury notes and other bonds maturing in 1 to 5 years	26,638,335					1,130,798	941,780	1,012,437	1,087,857	1,146,050
Other bonds maturing in 5 to 10 years	12,481,688	[1]	[1]	[1]	[1]	1,107,233	975,170	680,603	384,276	151,407
Other bonds maturing after 10 years	778,067					1,241,155	1,177,097	998,066	896,128	802,183
United States non-marketable bonds	247,362					92,527	67,037	61,857	36,129	25,560
Guaranteed obligations	140,152					166,566	111,035	131,417	161,970	181,022
Other securities—total	**38,371,648**	**44,440,876**	**48,381,827**	**61,034,277**	**71,070,991**	**5,014,656**	**5,010,410**	**5,352,088**	**7,336,379**	**8,948,052**
Obligations of States and subdivisions	33,343,807	38,480,349	40,831,664	49,820,973	58,391,738	367,846	300,273	236,697	205,323	185,211
Securities of Federal agencies and corporations	3,446,144	4,513,114	5,959,194	8,901,164	10,081,641	749,219	842,356	1,009,066	1,049,964	1,235,256
Other bonds, notes, and debentures	762,790	[2]1,447,413	[2]1,590,969	2,312,140	2,597,612	2,904,732	2,731,805	2,932,706	4,703,008	5,915,060
Federal Reserve Bank stock	818,907									
Other corporate stocks						992,859	1,135,976	1,173,619	1,378,084	1,612,525
Total securities	**100,959,700**	**103,650,708**	**104,285,823**	**123,263,625**	**135,242,315**	**9,125,108**	**8,770,371**	**8,675,750**	**104,470,028**	**11,802,948**

Loans and discounts, net—total	**175,096,194**	**201,114,143**	**218,455,698**	**236,709,837**	**265,982,036**	**36,233,052**	**39,964,343**	**42,493,177**	**45,492,445**	**48,287,403**
Valuation reserves	3,552,676	4,011,273	4,336,933	4,732,606	5,215,817	209,331	140,483	126,789	121,876	
Loans and discounts, gross—total	**178,648,870**	**205,125,416**	**222,792,631**	**241,442,443**	**271,197,853**	**36,442,826**	**40,173,674**	**42,733,660**	**45,619,234**	**48,409,279**
Real estate loans—total	43,733,086	49,393,933	54,099,590	58,678,014	65,332,745	85,823,288	39,435,679	41,808,403	44,595,807	47,177,405
Secured by farm land	*2,616,604*	*2,888,012*	*3,112,422*	*3,419,336*	*3,735,180*	*48,629*	*46,819*	*47,719*	*110,695*	*111,935*
Secured by residential properties										
Insured by FHA	*7,243,397*	*7,592,405*	*7,441,201*	*7,603,100*	*7,809,567*	*11,527,827*	*12,911,024*	*13,563,472*	*14,057,536*	*14,500,512*
Guaranteed by VA	*2,684,468*	*2,637,439*	*2,556,527*	*2,613,060*	*2,626,560*	*10,129,274*	*10,427,383*	*10,473,930*	*10,756,786*	*10,940,229*
Not insured or guaranteed by FHA or VA	*18,810,798*	*21,929,584*	*24,659,845*	*27,157,632*	*30,712,679*	*10,739,893*	*12,245,612*	*13,490,913*	*14,824,567*	*16,029,770*
Secured by other properties	*12,377,719*	*14,346,493*	*16,329,595*	*17,884,886*	*20,448,759*	*3,377,665*	*3,804,841*	*4,232,369*	*4,846,223*	*5,594,959*
Loans to domestic commercial and foreign banks	3,420,989	2,095,012	2,132,957	1,847,683	2,145,604	16,228	12,505	33,368	11,656	23,773
Loans to other financial institutions	10,849,646	13,186,038	13,186,453	12,447,077	13,676,953	9,322	14,342	10,905	9,832	25,109
Federal funds sold (loaned)[3]	(4)	2,064,215	2,460,941	3,924,357	6,526,458	...	...	...	...	...
Loans to brokers and dealers in securities	5,355,550	5,087,694	5,643,112	6,017,418	6,409,302	25,759	21,585	42,245	81,162	37,369
Other loans for purchasing securities	2,794,217	3,175,076	3,149,552	3,724,055	4,068,900	4,807	4,812	4,329	4,578	5,143
Loans to farmers directly guaranteed by the Commodity Credit Corporation	513,580	533,948	(5)	(5)	(5)		...	...	...	...
Other loans to farmers (excluding loans on real estate)	6,982,643	7,669,065	8,549,399	9,260,220	9,712,410	2,152	1,913	1,809	1,683	1,409
Commercial and industrial loans (including open market paper)	6,004,383	71,235,183	80,408,482	88,257,588	98,161,381	156,977	144,698	191,599	158,428	237,600
Other loans to individuals—total	39,814,778	45,497,461	47,992,068	51,628,083	58,414,799	391,145	515,673	617,747	734,973	869,601
Passenger automobile instalment loans	*14,661,720*	*17,139,214*	*18,290,164*	*18,890,458*	*21,200,443*	*24,370*	*35,555*	*42,879*	*53,790*	*76,020*
Retail (charge account) credit card plans		...		*828,313*	*11,312,020*	...	...	...	...	...
Check credit and revolving credit plans	...	...	...	*521,909*	*798,115*	...	...	...	...	...
Other retail consumer instalment loans	*3,748,783*	*4,176,950*	*4,692,533*	*4,781,232*	*5,520,274*	*1,016*	*2,039*	*3,769*	*6,378*	*9,535*
Residential repair and modernization instalment loans	*3,012,861*	*3,126,804*	*3,216,162*	*3,351,554*	*3,494,813*	*75,397*	*88,646*	*105,998*	*119,569*	*127,079*
Other instalment loans for personal expenditures	*6,441,204*	*7,388,640*	*8,091,439*	*8,361,180*	*9,390,559*	*126,027*	*199,220*	*244,976*	*297,131*	*356,597*
Single-payment loans for personal expenditures	*11,950,210*	*13,665,853*	*13,701,770*	*14,893,437*	*16,698,575*	*164,335*	*190,213*	*220,125*	*258,105*	*300,370*
All other loans (including overdrafts)	5,143,998	5,187,791	5,170,077	5,657,948	6,749,301	13,148	22,467	23,255	21,115	31,870
Total loans and securities	**276,055,894**	**304,764,851**	**322,741,521**	**359,973,462**	**401,224,351**	**45,358,160**	**48,734,714**	**51,268,927**	**55,939,473**	**60,090,351**
Bank premises, furniture and fixtures, and other real estate—total	**4,753,588**	**[6]5,144,222**	**[6]5,619,987**	**[6]6,289,874**	**6,980,113**	**342,898**	**381,225**	**415,193**	**459,396**	**506,870**
Bank premises, and furniture and fixtures, and other assets indirectly representing bank premises or other real estate	(7)	(7)	(7)	6,007,170	6,656,856	316,189	353,930	387,395	428,779	470,421
Real estate owned other than bank premises	...	...	...	282,704	323,257	26,709	27,295	27,798	30,617	36,449
Miscellaneous assets—total	**4,287,807**	**5,048,319**	**5,932,978**	**6,916,650**	**8,763,500**	**449,987**	**479,777**	**517,523**	**586,743**	**643,212**
Customers' liability on acceptances outstanding	1,697,120	1,862,571	2,178,017	2,314,772	2,472,778	...	...	...	...	...
Other assets	2,590,687	3,185,748	3,754,961	4,601,878	6,290,722	449,987	479,777	517,523	586,743	643,212
PERCENTAGES										
To total assets:										
Cash and balances with other banks	17.4%	16.1%	17.0%	17.2%	16.6%	1.9%	1.8%	1.6%	1.5%	1.4%
U. S. Government obligations, direct and guaranteed	18.2	15.8	13.9	13.8	12.8	8.7	7.5	6.3	5.4	4.5
Other securities	11.1	11.8	12.0	13.5	14.2	10.7	9.9	10.1	12.7	16.3
Loans and discounts	50.7	53.6	54.2	52.5	53.1	77.0	79.1	80.3	78.6	77.7
Other assets	2.6	2.7	2.9	2.9	3.1	1.7	1.7	1.7	1.8	1.7
Total capital accounts	8.0	8.0	7.9	7.5	7.3	7.9	7.8	7.8	7.3	7.2
To total assets other than cash and U.S. Government obligations:										
Total capital accounts	12.4	11.7	11.4	10.9	10.3	8.9	8.6	8.5	7.9	7.6

Table 107. ASSETS AND LIABILITIES OF INSURED COMMERCIAL AND INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER CALL DATES, 1964 THROUGH 1968—CONTINUED

(Amounts in thousands of dollars)

Liabilities and Capital Accounts	Insured commercial banks					Insured mutual savings banks				
	Dec. 31, 1964	Dec. 31, 1965	Dec. 31, 1966	Dec. 30, 1967	Dec. 31, 1968	Dec. 31, 1964	Dec. 31, 1965	Dec. 31, 1966	Dec. 30, 1967	Dec. 31, 1968
Total liabilities and capital accounts	**345,130,205**	**375,394,111**	**402,946,336**	**450,712,578**	**500,237,915**	**47,044,184**	**50,499,716**	**53,049,468**	**57,867,208**	**62,123,491**
Business and personal deposits—total	**252,983,403**	**275,205,357**	**293,565,757**	**329,860,033**	**361,993,247**	**42,714,295**	**45,848,773**	**48,212,477**	**52,870,001**	**56,822,316**
Individuals, partnerships, and corporations—demand	134,300,734	139,077,920	144,323,672	158,491,340	172,006,973	312,703	345,204	366,110	412,089	463,777
Deposits of savings and loan associations	(7)	*2,294,862*	*2,298,371*	*2,666,882*	*2,450,683*	......	......	......	......	.
Other deposits of individuals, partnerships, and corporations		*136,783,058*	*142,025,301*	*155,824,458*	*169,556,290*	*312,703*	*345,204*	*366,110*	*412,089*	*463,777*
Individuals, partnerships, and corporations—time	112,804,696	130,195,436	142,261,089	162,727,918	180,506,278	42,389,690	45,491,617	47,834,854	52,443,585	56,339,968
Savings deposits	*82,966,971*	*92,554,897*	*90,076,746*	*94,451,458*	*96,166,256*	*42,374,371*	*45,477,204*	*47,812,107*	*52,390,939*	*56,110,409*
Deposits accumulated for payment of personal loans	*956,410*	*1,078,207*	*1,223,553*	*1,283,923*	*1,215,522*	*800*	*28*	*38*	*74*	.
Deposits of savings and loan associations	*28,881,315*	*922,485*	*620,601*	*553,739*	*273,225*	......	...	......	....	.
Other deposits of individuals, partnerships, and corporations		*35,639,847*	*50,340,189*	*66,438,798*	*82,851,275*	*14,519*	*14,385*	*22,709*	*52,572*	*229,559*
Certified and officers' checks, letters of credit, travelers' checks, etc.	5,877,973	5,932,001	6,980,996	8,640,775	9,479,996	11,902	11,952	11,513	14,327	18,571
Government deposits—total	**30,068,312**	**32,216,843**	**33,768,382**	**36,990,123**	**41,385,278**	**34,844**	**37,131**	**41,829**	**41,699**	**36,730**
United States Government—demand	6,500,876	5,523,816	4,990,164	5,238,918	5,012,445	6,574	6,795	6,148	5,828	5,876
United States Government—time	270,832	281,330	257,599	285,533	376,629	152	407	297	323	355
States and subdivisions—demand	13,497,662	14,241,724	15,059,104	15,577,942	16,881,042	1,584	2,079	3,265	2,654	1,589
States and subdivisions—time	9,798,942	12,169,973	13,461,515	15,887,730	19,115,162	26,534	27,850	32,119	32,894	28,910
Domestic interbank and postal savings deposits—total	**16,754,488**	**17,311,718**	**18,355,321**	**20,660,087**	**23,221,458**	**1,960**	**1,387**	**1,330**	**1,262**	**2,235**
Commercial banks in the U.S.—demand	15,492,798	15,779,062	16,947,228	18,788,406	21,424,784	88	122	126	137	124
Commercial banks in the U.S.—time	382,943	510,159	476,896	727,014	714,271	1,872	1,265	1,204	1,125	2,111
Mutual savings banks in the U.S.—demand	740,382	860,378	782,525	935,212	933,799	....	....	....	....	.....
Mutual savings banks in the U.S.—time	118,835	162,119	148,672	209,455	148,604	....	....	....	....	.
Postal savings	19,530	(7)	(7)	(7)	(7)	....	....	....	....	....
Foreign government and bank deposits—total	**6,424,074**	**6,778,763**	**7,150,699**	**8,285,680**	**8,051,716**	....	....	....	....	**43**
Foreign governments, central banks, etc.—demand	826,137	892,867	869,268	874,451	866,885	......	....	....	....	22
Foreign governments, central banks, etc.—time	3,893,693	4,086,126	4,212,084	5,166,228	4,752,732	.	....	....	....	......
Banks in foreign countries—demand	1,454,685	1,529,097	1,784,407	1,909,911	2,118,758	.	....	....	....	21
Banks in foreign countries—time	249,559	270,673	284,940	335,090	313,341	....	....	....	....	....
Total deposits	**306,230,277**	**331,512,681**	**352,840,159**	**395,795,923**	**434,651,699**	**42,751,099**	**45,887,291**	**48,255,636**	**52,912,962**	**56,861,324**
Demand	*178,691,247*	*183,836,865*	*191,737,364*	*210,456,955*	*228,724,682*	*332,851*	*366,152*	*387,162*	*435,035*	*489,980*
Time	*127,539,030*	*147,675,816*	*161,102,795*	*185,338,968*	*205,927,017*	*42,418,248*	*45,521,139*	*47,868,474*	*52,477,927*	*56,371,344*

Other liabilities—total	**11,461,821**	**13,976,496**	**18,413,009**	**20,910,731**	**28,958,217**	**562,242**	**655,013**	**653,735**	**716,615**	**781,183**
Federal funds purchased (borrowed)[8]	2,591,113	2,438,413	2,824,088	4,980,322	7,468,200	....	....	....	....	....
Other liabilities for borrowed money		1,898,290	1,904,513	568,797	1,214,440	20,402	90,800	68,876	68,156	70,814
Acceptances outstanding	1,737,101	1,897,569	2,234,455	2,382,072	2,508,707	....	....	....	....	....
Other liabilities	7,133,587	7,742,224	11,449,953	12,979,540	17,766,870	541,840	564,213	584,859	648,459	710,369
Total liabilities (excluding capital accounts)	**317,692,098**	**345,489,177**	**371,263,168**	**416,706,654**	**463,609,916**	**43,313,341**	**46,542,304**	**48,909,371**	**53,629,577**	**57,642,507**
Capital accounts—total	**27,438,107**	**29,904,934**	**31,693,168**	**34,005,924**	**36,627,999**	**3,730,843**	**3,957,412**	**4,140,097**	**4,237,631**	**4,480,984**
Capital stock, notes, and debentures	8,738,836	10,200,361	10,648,322	11,325,108	11,973,428	674	2,759	3,112	3,064	3,657
Surplus	12,893,189	13,464,797	13,998,697	14,983,375	16,173,907	2,658,871	2,798,625	2,923,692	3,072,343	3,245,950
Undivided profits	5,113,007	5,437,575	6,166,477	6,610,743	7,419,669	759,920	822,112	821,662	774,284	842,645
Reserves	693,075	802,201	879,672	1,086,698	1,060,995	311,378	333,916	391,631	387,940	388,732
MEMORANDA										
Capital stock, notes, and debentures:										
Par or face value—total	**8,738,836**	**10,200,361**	**10,648,322**	**11,325,108**	**11,973,428**	**674**	**2,759**	**3,112**	**3,064**	**3,657**
Common stock	7,886,432	8,507,770	8,856,837	9,253,642	9,772,605	....	....	....	....	....
Capital notes and debentures	810,657	1,652,701	1,729,902	1,984,390	2,110,137	674	2,759	3,112	3,064	3,657
Preferred stock	41,747	39,890	61,583	87,076	90,686	....	....	....	....	....
PERCENTAGES										
To total deposits:										
IPC demand	43.9%	42.0%	40.9%	40.0%	39.6%	0.7%	0.8%	0.8%	0.8%	0.8%
IPC time and savings	36.8	39.3	40.3	41.1	41.5	99.2	99.1	99.1	99.1	99.0
Government deposits	9.8	9.7	9.6	9.4	9.5	0.1	0.1	0.1	0.1	0.1
Domestic interbank and postal savings	5.5	5.2	5.2	5.2	5.3	....	....	....	....	....
Foreign governments and banks	2.1	2.0	2.0	2.1	1.9	....	....	....	....	....
Other deposits	1.9	1.8	2.0	2.2	2.1	....	....	....	....	....
Number of banks	13,493	13,547	13,541	13,517	13,488	327	329	332	333	334

[1] Available only on a par value basis.
[2] Excludes as of December 31, 1965 and December 31, 1966 corporate stocks, other than Federal Reserve bank stock, of national banks; reported with "other assets."
[3] Also includes securities purchased under agreements to resell.
[4] Prior to December 31, 1965, "Federal funds sold (loaned)", not reported separately; most were included with loans to banks.
[5] Included with "securities of Federal agencies and corporations."
[6] Net of mortgages and other liens; previously included with "other liabilities."
[7] Not available.
[8] Also includes securities sold under agreements to repurchase.

Table 108. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968

BANKS GROUPED BY CLASS OF BANK

(Amounts in thousands of dollars)

Asset or liability item	Total	Members F. R. System		Not members F. R. System
		National	State	
Total assets	**500,237,915**	**297,453,323**	**116,872,263**	**85,912,329**
Cash and due from banks	83,269,951	50,995,100	22,802,583	9,472,268
Obligations of the U.S. Government	64,171,324	35,299,934	12,572,811	16,298,579
Obligations of States and subdivisions	58,391,738	34,713,361	13,715,945	9,962,432
Other securities	12,679,253	6,867,808	1,629,541	4,181,904
Loans and discounts, net—total	265,982,036	159,804,885	61,964,524	44,212,627
Real estate	65,332,745	37,904,481	12,757,814	14,670,450
To banks and other financial institutions	15,822,557	9,789,921	5,038,017	994,619
Federal funds sold (loaned)[1]	6,526,458	4,396,683	1,154,253	975,522
To purchase or carry securities	10,478,202	5,012,001	4,544,105	922,096
To farmers	9,712,410	4,871,378	1,052,203	3,788,829
Commercial and industrial	98,161,381	62,103,710	25,883,635	10,174,036
Consumer instalment	41,716,224	24,343,623	7,251,310	10,121,291
Single payment to individuals	16,698,575	10,047,498	3,831,163	2,819,914
Other loans	6,749,301	4,496,176	1,776,131	476,994
Less: valuation reserves	5,215,817	3,160,586	1,324,107	731,124
Other assets	15,743,613	9,772,235	4,186,859	1,784,519
Total liabilities and capital accounts	**500,237,915**	**297,453,323**	**116,872,263**	**85,912,329**
Deposits—total	434,651,699	258,654,993	98,467,389	77,529,317
Individuals, partnerships, and corporations—demand	172,006,973	101,586,984	40,247,702	30,172,287
Individuals, partnerships, and corporations—savings and time	180,506,278	108,059,800	35,238,432	37,208,046
U.S. Government	5,389,074	3,300,190	1,350,299	738,585
States and subdivisions	35,996,204	22,129,830	6,437,032	7,429,342
Domestic interbank	23,221,458	14,566,747	7,725,610	929,101
Foreign government and bank	8,051,716	4,464,360	3,410,699	176,657
Other deposits	9,479,996	4,547,082	4,057,615	875,299
Federal funds purchased (borrowed)[2]	7,468,200	5,233,971	2,082,297	151,932
Other liabilities for borrowed money	1,214,440	689,089	452,731	72,620
Other liabilities	20,275,577	11,351,149	7,345,285	1,579,143
Capital stock, notes, and debentures	11,973,428	7,008,502	2,852,721	2,112,205
Other capital accounts	24,654,571	14,515,619	5,671,840	4,467,112
Number of banks	13,488	4,716	1,261	7,511

[1] Also includes securities purchased under agreements to resell.

[2] Also includes securities sold under agreements to repurchase.

Table 109. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1968 IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

(Amounts in thousands of dollars)

Asset or liability item	All banks[1]	Banks with deposits of—								
		Less than $1,000,000	$1,000,000 to $2,000,000	$2,000,000 to $5,000,000	$5,000,000 to $10,000,000	$10,000,000 to $25,000,000	$25,000,000 to $50,000,000	$50,000,000 to $100,000,000	$100,000,000 to $500,000,000	$500,000,000 or more
Total assets	**499,810,422**	**208,665**	**2,075,335**	**13,713,080**	**27,074,343**	**50,069,918**	**38,833,118**	**35,546,805**	**90,941,429**	**241,347,729**
Cash and due from banks	83,205,691	41,008	294,581	1,755,715	3,386,505	6,101,139	4,796,271	4,701,727	15,012,598	47,116,147
Obligations of the U.S. Government	64,096,640	57,966	611,411	3,504,646	5,836,747	9,352,363	6,240,172	5,350,955	11,612,441	21,529,939
Obligations of States and subdivisions	58,390,238	4,573	67,302	950,776	2,828,234	6,207,369	4,989,066	4,806,406	11,542,648	26,993,864
Other securities	12,639,889	19,124	170,913	927,010	1,416,796	2,219,351	1,586,327	1,235,257	1,849,741	3,215,370
Loans and discounts, net—total	265,757,419	84,151	909,016	6,383,207	13,146,454	25,217,028	20,344,454	18,578,456	48,398,513	132,696,140
Real estate	65,308,751	17,156	224,334	1,964,535	4,281,575	8,363,263	6,700,048	6,125,893	13,597,000	24,034,947
To banks and other financial institutions	15,807,364	1,271	7,384	67,055	130,138	342,961	390,630	527,688	2,312,806	12,027,431
Federal funds sold (loaned)[2]	6,508,173	370	8,542	104,306	343,349	782,978	688,643	471,043	1,134,824	2,974,118
To purchase or carry securities	10,456,723	1,084	5,482	47,110	167,571	419,608	420,318	438,941	1,589,937	7,366,672
To farmers	9,709,369	33,797	335,586	1,735,874	2,233,817	2,140,691	666,476	380,861	809,084	1,373,183
Commercial and industrial	98,080,785	9,034	107,745	882,065	2,305,964	5,312,018	5,132,368	5,306,703	15,394,503	63,630,385
Consumer instalment	41,686,832	16,077	165,459	1,203,156	2,855,591	6,150,615	4,953,992	4,043,827	9,430,398	12,867,717
Single payment to individuals	16,673,246	4,508	52,847	396,139	865,435	1,786,389	1,507,837	1,355,332	3,752,220	6,952,539
Other loans	6,741,579	1,494	10,970	69,099	162,720	339,994	246,183	278,893	1,346,330	4,285,896
Less: valuation reserves	5,215,403	640	9,333	86,132	199,706	421,489	362,041	350,725	968,589	2,816,748
Other assets	15,720,545	1,843	22,112	191,726	459,607	972,668	876,828	874,004	2,525,488	9,796,269
Total liabilities and capital accounts	**499,810,422**	**208,665**	**2,075,335**	**13,713,080**	**27,074,343**	**50,069,918**	**38,833,118**	**35,546,805**	**90,941,429**	**241,347,729**
Deposits—total	434,309,393	179,433	1,839,807	12,339,178	24,552,610	45,418,123	35,110,356	31,997,496	81,078,697	201,793,693
Demand deposits	*228,544,101*	*125,761*	*1,066,585*	*6,225,173*	*11,812,285*	*21,104,388*	*16,529,068*	*15,166,441*	*42,726,584*	*113,787,816*
Time and savings deposits	*205,765,292*	*53,672*	*773,222*	*6,114,005*	*12,740,325*	*24,313,735*	*18,581,288*	*16,831,055*	*38,352,113*	*88,005,877*
Individuals, partnerships, and corporations—demand	171,888,978	109,240	906,932	5,210,330	9,763,984	17,397,573	13,629,695	12,254,374	32,709,504	79,907,346
Individuals, partnerships, and corporations—time and savings	180,369,804	47,884	709,098	5,688,156	11,865,493	22,626,678	17,197,119	15,214,639	34,506,863	72,513,874
U.S. Government	5,382,055	788	9,718	93,339	251,622	570,883	348,172	229,183	665,604	3,212,746
States and subdivisions	35,959,327	20,317	196,291	1,219,340	2,350,590	4,029,493	2,939,111	2,992,413	7,166,065	15,045,707
Domestic interbank	23,215,476	548	7,245	43,775	115,140	334,971	529,447	839,803	4,842,715	16,501,832
Foreign government and bank	8,031,813			415	1,683	1,554	47,031	82,141	200,383	7,698,606
Other deposits	9,461,940	656	10,523	83,823	204,098	456,971	419,781	384,943	987,563	6,913,582
Federal funds purchased (borrowed)[3]	7,468,200		250	4,305	16,317	51,743	76,757	114,655	837,478	6,366,695
Other liabilities for borrowed money	1,214,035	110	1,018	7,335	16,552	27,092	30,269	29,116	181,305	921,238
Other liabilities	20,261,312	1,128	10,826	106,565	320,748	841,991	876,258	846,359	2,368,827	14,888,610
Capital stock, notes, and debentures	11,938,373	7,912	57,277	326,125	600,585	1,101,748	870,688	855,481	2,128,175	5,990,382
Other capital accounts	24,619,109	20,082	166,157	929,572	1,567,531	2,629,221	1,868,790	1,703,698	4,346,947	11,387,111
Number of banks	13,408	244	1,200	3,629	3,408	2,950	1,023	464	382	108

[1] This group of banks is the same as the group shown in Table 115 under the heading "Operating throughout the year."

[2] Also includes securities purchased under agreements to resell.

[3] Also includes securities sold under agreements to repurchase.

Note: For income and expense data by size of bank, see Tables 116 and 117, pp. 204 - 207.

Table 110. PERCENTAGES OF ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1968 IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

Asset or liability item	All banks[1]	Banks with deposits of—								
		Less than $1,000,000	$1,000,000 to $2,000,000	$2,000,000 to $5,000,000	$5,000,000 to $10,000,000	$10,000,000 to $25,000,000	$25,000,000 to $50,000,000	$50,000,000 to $100,000,000	$100,000,000 to $500,000,000	$500,000,000 or more
Total assets	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Cash and due from banks	16.6	19.7	14.2	12.8	12.5	12.2	12.4	13.2	16.5	19.5
Obligations of the U.S. Government	12.8	27.8	29.5	25.6	21.6	18.7	16.1	15.1	12.8	8.9
Obligations of States and subdivisions	11.7	2.2	3.2	6.9	10.4	12.4	12.8	13.5	12.7	11.2
Other securities	2.5	9.2	8.2	6.8	5.2	4.4	4.1	3.5	2.0	1.3
Loans and discounts, net—total	53.2	40.3	43.8	46.5	48.6	50.4	52.4	52.3	53.2	55.0
Real estate	13.1	8.2	10.8	14.3	15.8	16.7	17.3	17.2	15.0	10.0
To banks and other financial institutions	3.2	.6	.4	.5	.5	.7	1.0	1.5	2.5	5.0
Federal funds sold (loaned)[2]	1.3	.2	.4	.8	1.3	1.6	1.8	1.3	1.2	1.2
To purchase or carry securities	2.1	.5	.3	.3	.6	.8	1.1	1.2	1.7	3.1
To farmers	1.9	16.2	16.2	12.7	8.3	4.3	1.7	1.1	.9	.6
Commercial and industrial	19.6	4.3	5.2	6.4	8.5	10.6	13.2	14.9	16.9	26.4
Consumer instalment	8.3	7.7	8.0	8.8	10.5	12.3	12.8	11.4	10.4	5.3
Single payment to individuals	3.3	2.2	2.5	2.9	3.2	3.6	3.9	3.8	4.1	2.9
Other loans	1.3	.7	.5	.5	.6	.7	.6	.8	1.5	1.8
Less: valuation reserves	1.0	.3	.4	.6	.7	.8	.9	1.0	1.1	1.2
Other assets	3.1	.9	1.1	1.4	1.7	1.9	2.3	2.5	2.8	4.1
Total liabilities and capital accounts	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Deposits—total	86.9	86.0	88.7	90.0	90.7	90.7	90.4	90.0	89.2	83.6
Demand deposits	*45.7*	*60.3*	*51.4*	*45.4*	*43.6*	*42.1*	*42.6*	*42.7*	*47.0*	*47.1*
Time and savings deposits	*41.2*	*25.7*	*37.3*	*44.6*	*47.1*	*48.6*	*47.8*	*47.3*	*42.2*	*36.5*
Individuals, partnerships, and corporations—demand	34.4	52.4	43.7	38.0	36.1	34.7	35.1	34.5	36.0	33.1
Individuals, partnerships, and corporations—time and savings	36.1	22.9	34.2	41.5	43.8	45.2	44.3	42.8	37.9	30.0
U.S. Government	1.1	.4	.5	.7	.9	1.1	.9	.6	.7	1.3
States and subdivisions	7.2	9.7	9.5	8.9	8.7	8.0	7.6	8.4	7.9	6.2
Domestic interbank	4.6	.3	.3	.3	.4	.7	1.4	2.4	5.3	6.8
Foreign government and bank	1.6	.0	.0	.0	.0	.0	.1	.2	.2	3.2
Other deposits	1.9	.3	.5	.6	.8	.9	1.1	1.1	1.1	2.9
Federal funds purchased (borrowed)[3]	1.5	.0	.0	.0	.1	.1	.2	.3	.9	2.6
Other liabilities for borrowed money	.2	.1	.0	.1	.1	.1	.1	.1	.2	.4
Other liabilities	4.1	.5	.5	.8	1.2	1.7	2.3	2.4	2.6	6.2
Capital stock, notes, and debentures	2.4	3.8	2.8	2.4	2.2	2.2	2.2	2.4	2.3	2.5
Other capital accounts	4.9	9.6	8.0	6.8	5.8	5.3	4.8	4.8	4.8	4.7
Number of banks	13,408	244	1,200	3,629	3,408	2,950	1,023	464	382	108

Footnotes to this table: See Table 109.

Table 111. DISTRIBUTION OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS AND BY RATIOS OF SELECTED ITEMS TO ASSETS OR DEPOSITS

Ratios	All banks	Number of banks with deposits of—								
		Less than $1,000,000	$1,000,000 to $2,000,000	$2,000,000 to $5,000,000	$5,000,000 to $10,000,000	$10,000,000 to $25,000,000	$25,000,000 to $50,000,000	$50,000,000 to $100,000,000	$100,000,000 to $500,000,000	$500,000,000 or more
Ratios of obligations of States and subdivisions to total assets of—										
Zero	1,176	121	334	439	177	86	14	5	...	...
More than zero but less than 1 percent	775	38	234	373	88	36	3	2	...	1
One to 2.49 percent	909	30	207	449	140	56	18	6	2	1
2.5 to 4.99 percent	1,324	33	197	571	300	151	48	12	11	1
5.0 to 7.49 percent	1,527	12	102	513	481	278	78	22	32	9
7.5 to 9.99 percent	1,777	10	54	406	555	454	139	66	66	27
10.0 to 12.49 percent	1,772	4	37	317	534	514	189	82	70	25
12.5 to 14.99 percent	1,516	4	28	214	430	471	178	106	70	15
15.0 to 17.49 percent	1,108	1	14	144	282	370	155	78	49	15
17.5 to 19.99 percent	708	...	7	88	180	242	106	37	40	8
20.0 to 24.99 percent	651	1	14	92	175	214	80	36	34	5
25 percent or more	245	1	3	48	73	81	17	13	8	1
Ratios of U.S. Government obligations to total assets of—										
Less than 5 percent	333	12	22	76	91	73	34	16	6	3
5 to 9.99 percent	1,310	18	52	195	303	350	149	80	107	56
10 to 14.99 percent	2,376	16	102	416	540	633	311	168	149	41
15 to 19.99 percent	2,593	34	159	553	660	698	279	118	85	7
20 to 24.99 percent	2,185	36	163	586	657	540	133	48	21	1
25 to 29.99 percent	1,727	29	170	573	503	339	77	24	12	...
30 to 34.99 percent	1,206	30	173	482	304	183	26	7	1	...
35 to 39.99 percent	762	29	126	341	179	74	12	1	...	...
40 to 44.99 percent	436	19	95	200	85	34	2	1	...	...
45 to 49.99 percent	255	9	66	109	50	19	1	...	1	...
50 percent or more	305	23	103	123	43	10	1	2	...	...

Table 111. DISTRIBUTION OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1968—CONTINUED

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS AND BY RATIOS OF SELECTED ITEMS TO ASSETS OR DEPOSITS

Ratios	All banks	Number of banks with deposits of—								
		Less than $1,000,000	$1,000,000 to $2,000,000	$2,000,000 to $5,000,000	$5,000,000 to $10,000,000	$10,000,000 to $25,000,000	$25,000,000 to $50,000,000	$50,000,000 to $100,000,000	$100,000,000 to $500,000,000	$500,000,000 or more
Ratios of loans to total assets of—										
Less than 20 percent	166	26	47	56	25	9	1	2		
20 to 24.99 percent	215	18	46	79	57	14		1		
25 to 29.99 percent	440	23	89	190	89	40	4	3	2	
30 to 34.99 percent	820	44	110	289	211	122	26	13	5	
35 to 39.99 percent	1,345	19	159	450	369	258	58	14	16	2
40 to 44.99 percent	1,838	28	183	553	477	398	111	61	24	3
45 to 49.99 percent	2,420	35	193	607	634	607	190	73	65	16
50 to 54.99 percent	2,406	29	175	546	600	579	220	109	114	34
55 to 59.99 percent	1,970	14	116	445	457	476	219	102	104	37
60 to 64.99 percent	1,180	4	69	257	312	278	142	61	45	12
65 to 69.99 percent	478	8	34	120	127	121	39	22	4	3
70 to 74.99 percent	144	3	8	37	43	37	10	3	2	1
75 percent or more	66	4	2	25	14	14	5	1	1	
Ratios of cash and due from banks to total assets of—										
Less than 5 percent	232	6	19	80	50	46	21	7	3	
5.0 to 7.49 percent	1,451	2	122	431	396	351	99	36	13	1
7.5 to 9.99 percent	2,879	25	227	792	776	704	214	89	48	4
10.0 to 12.49 percent	2,894	28	200	754	763	706	243	114	75	11
12.5 to 14.99 percent	2,179	38	179	570	557	481	194	73	68	19
15.0 to 17.49 percent	1,500	31	155	375	392	289	128	62	50	18
17.5 to 19.99 percent	911	24	113	257	189	175	69	37	31	16
20.0 to 24.99 percent	901	35	130	253	193	140	44	33	49	24
25.0 to 29.99 percent	320	24	49	83	71	37	9	11	29	7
30 percent or more	221	42	37	59	28	24	4	3	16	8

Ratios of total demand deposits to total deposits of—										
Less than 25 percent	271	4	9	75	77	80	15	7	3	1
25 to 29.99 percent	591		26	169	191	129	47	20	7	2
30 to 34.99 percent	1,070	5	57	273	263	308	94	48	20	2
35 to 39.99 percent	1,522	4	79	390	415	381	135	67	43	8
40 to 44.99 percent	1,953	11	128	509	535	461	175	78	45	11
45 to 49.99 percent	2,010	12	145	533	515	505	161	69	59	11
50 to 54.99 percent	1,822	29	141	524	472	387	155	53	49	12
55 to 59.99 percent	1,381	21	136	357	347	306	100	49	52	13
60 to 64.99 percent	1,013	29	120	267	234	207	60	35	43	18
65 to 69.99 percent	658	16	102	163	166	95	50	13	35	18
70 to 79.99 percent	594	33	114	183	118	67	26	22	19	12
80 to 89.99 percent	254	25	68	81	45	22	5	3	5	
90 percent or more	349	66	106	130	37	5	2	1	2	
Ratios of total capital accounts to total assets other than cash and due from banks, U. S. Government obligations, and F.H.A. and V.A. real estate loans of—										
Less than 7.5 percent	536		4	31	91	207	116	57	26	4
7.5 to 9.99 percent	2,898	1	45	325	741	967	428	182	163	46
10.0 to 12.49 percent	3,692	6	120	795	1,123	1,006	320	153	130	39
12.5 to 14.99 percent	2,471	22	199	814	754	468	111	46	40	17
15.0 to 17.49 percent	1,402	26	180	638	320	178	33	12	13	2
17.5 to 19.99 percent	797	22	157	359	176	64	10	4	5	
20.0 to 22.49 percent	530	35	113	233	115	23	2	5	4	
22.5 to 24.99 percent	346	24	92	170	43	14		3		
25.0 to 29.99 percent	351	35	123	140	32	14	4	2	1	
30.0 to 34.99 percent	174	18	73	65	12	6				
35.0 to 39.99 percent	100	13	43	33	5	4	1	1		
40 percent or more	191	53	82	51	3	2				
Ratios of total capital accounts to total assets of—										
Less than 5 percent	349		1	22	66	133	69	35	20	3
5 to 5.99 percent	1,229	1	19	114	325	411	200	80	63	16
6 to 6.99 percent	2,615	7	79	461	722	792	282	131	111	30
7 to 7.99 percent	2,871	9	150	682	838	710	235	111	106	30
8 to 8.99 percent	2,187	11	153	723	616	436	129	52	45	22
9 to 9.99 percent	1,523	29	171	557	402	244	64	30	20	6
10 to 10.99 percent	958	33	157	405	203	117	23	11	8	1
11 to 11.99 percent	612	22	135	283	107	43	12	4	6	
12 to 12.99 percent	358	28	93	144	53	29	5	5	1	
13 to 14.99 percent	389	39	125	142	51	24	2	4	2	
15 to 16.99 percent	195	27	64	72	21	10	1			
17 percent or more	202	49	84	49	11	4	3	2		
Number of banks	13,488	255	1,231	3,654	3,415	2,953	1,025	465	382	108

INCOME OF INSURED BANKS

The income data received and published by the Corporation relate to commercial and mutual savings banks insured by the Corporation.

Commercial Banks

Reports of income and dividends are submitted to the Federal supervisory agencies on either a cash or an accrual basis.

Income data are included for all insured banks operating at the end of the respective years, unless indicated otherwise. In addition, appropriate adjustments have been made for banks in operation during part of the year but not at the end of the year. Data for 5 insured branches in Guam of 2 insured banks (1 in California and 1 in Hawaii), for 8 insured branches in New York of 2 insured banks in Puerto Rico, for 17 insured branches in Puerto Rico of 2 insured banks in New York, and for 13 insured branches in the Virgin Islands of 3 insured banks (2 in New York and 1 in California) are not available.

The uniform Report of Income and Dividends (formerly called Report of Earning and Dividends) was revised extensively in 1961. New items were added, combining components previously included in other items; and some items were subsumed into new categories. Thus certain items, even carrying the same designation (e.g. other current operating expenses), are not comparable with data reported for prior years.

The revised form breaks out the following items not previously available separately: (1) benefits to officers and other employees; (2) net occupancy expense of bank premises, with a supporting schedule; (3) furniture and equipment expense (including costs related to the purchase or rental of automated data processing systems); and (4) losses on securities sold.

Two expense items previously reported separately have been combined with other items: (1) taxes other than on net income; and (2) recurring depreciation on banking house, furniture and fixtures. Taxes on bank premises, social security taxes paid in behalf of building employees, and recurring depreciation on banking house are now included under occupancy expense of bank premises. Other social security taxes are included with officer and employee benefits. Recurring depreciation on furniture and fixtures is now included with furniture and equipment expense.

Revenue and expenses incident to "Federal funds" transactions have been classified as "Interest and discount on loans" and "Interest and discount on borrowed money," respectively.

In addition to other minor changes in classification, new designations have been given to certain items. For example, the term "net income" is the new equivalent of the former term "net profits." A further change entailed the division of officers and other employees into two groups: those engaged in banking operations, and those concerned with building operations.

Mutual savings banks

The present report of income and dividends for mutual savings banks was first used by the Corporation for the calendar year 1951. For a discussion of the history and principles of this report see pp. 50-52 in Part Two of the 1951 Annual Report.

Sources of data

National banks and State banks in the District of Columbia not members of the Federal Reserve System: Office of the Comptroller of the Currency.

State banks members of the Federal Reserve System: Board of Governors of the Federal Reserve System.

Other insured banks: Federal Deposit Insurance Corporation.

Table 112. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1960-1968

(Amounts in thousands of dollars)

Income item	1960	1961	1962	1963	1964	1965	1966	1967[1]	1968[1]
Current operating revenue—total	10,723,545	11,069,604	12,218,959	13,509,713	15,024,487	16,817,187	19,508,414	21,781,611	25,478,404
Interest on U.S. Government obligations	1,790,341	1,901,732	2,093,207	2,176,454	2,240,389	2,224,711	2,317,794	2,601,900	3,004,655
Interest and dividends on other securities	578,783	629,134	759,030	921,060	1,085,334	1,285,287	1,531,517	1,904,886	2,376,223
Interest and discount on loans	6,698,655	6,891,442	7,578,200	8,516,837	9,612,079	10,999,867	13,042,757	14,351,421	16,723,099
Service charges and fees on loans	108,655	117,259	139,645	155,478	173,159	204,996	243,643	295,216	397,980
Service charges on deposit accounts	589,954	630,458	681,243	728,857	781,405	842,775	915,049	987,187	1,055,964
Other charges, commissions, fees, etc.	218,566	223,283	237,446	248,362	280,289	304,276	354,036	411,021	478,028
Trust department	460,251	502,871	543,916	573,252	629,694	689,628	756,130	820,269	906,206
Other current operating revenue	278,340	[2]173,425	[2]186,272	[2]189,413	[2]222,138	[2]265,647	[2]347,488	[2]409,711	[2]536,249
Current operating expenses—total	6,932,820	7,440,492	8,589,177	9,714,980	10,897,460	12,486,120	14,561,852	16,553,642	19,354,237
Salaries—officers	966,643	[3]1,028,869	[3]1,098,146	[3]1,183,264	[3]1,284,140	[3]1,392,765	[3]1,526,300	[3]1,674,955	[3]1,861,448
Salaries and wages—other employees	1,831,323	[3]1,869,961	[3]1,975,406	[3]2,101,111	[3]2,234,922	[3]2,369,259	[3]2,569,442	[3]2,862,941	[3]3,240,355
Officers and employee benefits	(4)	377,494	419,098	457,033	490,732	525,692	598,768	667,345	755,744
Fees paid to directors and committees	56,292	59,794	63,236	67,469	72,176	77,093	83,791	92,074	101,313
Interest on time and savings deposits	1,785,086	2,106,645	2,845,283	3,464,308	4,088,061	5,070,781	6,259,472	7,379,863	8,681,705
Interest on borrowed money	87,385	37,997	64,325	106,517	127,277	189,519	301,768	266,476	528,986
Taxes other than on net income	285,801	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Recurring depreciation on banking house, furniture and fixtures	212,493	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Occupancy expense of bank premises—net	(7)	510,691	555,670	608,462	670,243	731,573	802,060	873,541	970,034
Furniture and equipment	(8)	224,852	267,885	311,518	362,301	411,889	458,695	533,846	631,564
Other current operating expenses	1,707,797	[9]1,224,189	[9]1,300,128	[9]1,415,298	[9]1,567,608	[9]1,717,549	[9]1,961,556	[9]2,202,601	[9]2,583,088
Net current operating earnings	3,790,725	3,629,112	3,629,782	3,794,733	4,127,027	4,331,067	4,946,562	5,227,969	6,124,167
Recoveries, transfers from valuation reserves, and profits—total	574,826	708,171	467,061	468,450	322,104	390,368	341,711	417,624	326,034
On securities:									
Profits on securities sold or redeemed	329,322	453,730	256,987	167,445	74,723	84,619	62,464	150,238	98,417
Recoveries	12,927	9,934	6,241	4,046	6,633	7,114	5,077	3,986	6,465
Transfers from valuation reserves	55,568	86,574	56,761	60,516	57,284	97,435	100,950	62,089	42,501
On loans:									
Recoveries	25,684	16,825	16,902	17,913	17,383	17,962	15,585	14,307	12,419
Transfers from valuation reserves	70,211	51,817	56,610	131,235	62,313	84,001	55,762	44,439	58,681
All other	81,114	89,291	73,560	87,295	103,768	99,237	101,873	142,565	107,551
Losses, charge-offs, and transfers to valuation reserves—total	978,422	935,461	836,665	883,637	1,017,299	1,177,540	1,574,027	1,326,581	1,757,219
On securities:									
Losses on securities sold	219,767	44,290	58,939	49,887	88,397	85,045	454,911	154,550	536,937
Charge-offs prior to sale		21,354	12,603	12,827	11,256	9,224	10,198	8,403	12,117
Transfers to valuation reserves	156,232	224,678	95,039	63,530	72,213	63,370	78,932	74,572	54,960
On loans:									
Losses and charge-offs	35,760	31,194	30,107	29,588	32,385	36,188	31,251	28,341	25,219
Transfers to valuation reserves	451,667	481,200	528,710	609,059	666,040	846,877	775,792	885,885	953,305
All other	114,996	132,745	111,267	118,746	147,008	136,836	222,943	174,830	174,681
Net income before related taxes	3,387,129	3,401,822	3,260,178	3,379,546	3,431,832	3,543,895	3,714,246	4,319,012	4,692,982

Taxes on net income—total	**1,384,397**	**1,406,102**	**1,256,382**	**1,226,783**	**1,148,203**	**1,029,162**	**1,029,906**	**1,177,154**	**1,267,044**
Federal	1,300,940	1,317,292	1,159,725	1,130,629	1,050,624	927,423	911,585	1,020,988	1,086,889
State	83,457	88,810	96,657	96,154	97,579	101,739	118,321	156,166	180,155
Net income after related taxes	**2,002,732**	**1,995,720**	**2,003,796**	**2,152,763**	**2,283,629**	**2,514,733**	**2,684,340**	**3,141,858**	**3,425,938**
Dividends and interest on capital—total	**831,546**	**895,053**	**941,189**	**993,374**	**1,088,310**	**1,202,349**	**1,307,387**	**1,426,202**	**1,589,114**
Cash dividends declared on common stock	829,522	893,230	939,426	990,039	1,062,561	1,146,186	1,240,048	1,342,538	1,488,670
Dividends declared on preferred stock and interest on capital notes and debentures	2,024	1,823	1,763	3,335	25,749	56,163	67,339	83,664	100,444
Net additions to capital from income	**1,171,186**	**1,100,667**	**1,062,607**	**1,159,389**	**1,195,319**	**1,312,384**	**1,376,953**	**1,715,656**	**1,836,824**
Memoranda									
Recoveries credited to valuation reserves (not included in recoveries above):									
On securities	18,294	9,911	4,714	6,216	4,515	4,158	3,300	5,638	1,913
On loans	68,232	73,844	84,863	96,897	157,791	124,062	143,859	168,680	219,115
Losses charged to valuation reserves (not included in losses above):									
On securities	47,716	22,463	16,305	17,314	43,683	25,761	60,282	29,072	32,262
On loans	264,405	249,500	238,825	323,475	394,181	429,490	545,647	601,194	629,707
Average assets and liabilities[10]									
Assets—total	**246,776,722**	**254,198,199**	**274,220,778**	**298,940,778**	**325,490,626**	**357,214,409**	**387,214,409**	**421,128,433**	**468,213,107**
Cash and due from banks	49,317,003	46,613,211	49,438,670	50,997,566	54,449,343	59,013,596	62,867,398	70,248,679	78,504,024
United States Government obligations	57,773,429	61,792,135	64,519,914	64,058,431	61,439,390	59,419,551	56,088,649	57,357,584	61,545,807
Other securities	20,092,632	21,660,321	25,761,084	31,421,875	36,360,062	41,540,772	47,054,812	55,213,293	65,318,374
Loans and discounts	114,275,450	117,969,985	127,789,110	145,028,233	164,816,703	187,661,591	210,240,170	226,145,245	248,753,413
All other assets	5,318,208	6,162,547	6,712,000	7,434,673	8,425,128	9,578,899	10,862,634	12,163,632	14,091,489
Liabilities and capital—total	**246,776,722**	**254,198,199**	**274,220,778**	**298,940,778**	**325,490,626**	**357,214,409**	**387,113,663**	**421,128,433**	**468,213,107**
Total deposits	220,099,028	225,214,703	243,319,550	264,069,489	287,988,560	315,643,533	340,336,714	368,906,501	407,508,260
Demand deposits	*150,451,481*	*147,556,175*	*153,849,494*	*159,561,973*	*168,382,122*	*178,089,360*	*185,336,407*	*194,982,924*	*213,628,389*
Time and savings deposits	*69,647,547*	*77,658,528*	*89,470,056*	*104,507,516*	*119,606,438*	*137,554,173*	*155,000,307*	*173,923,577*	*193,879,871*
Borrowings and other liabilities	6,712,522	7,694,509	8,197,420	10,587,389	11,110,692	12,750,015	15,926,263	19,345,258	25,372,699
Total capital accounts	19,965,172	21,288,987	22,703,808	24,283,900	26,391,374	28,820,861	30,850,686	32,876,674	35,332,148
Number of employees (including building employees), December 31:									
Active officers	103,211	107,279	112,458	117,147	124,351	130,486	138,206	145,346	154,118
Other employees	506,596	526,101	543,695	531,820	578,307	601,677	639,155	669,691	712,607
Number of banks, December 31	13,126	13,115	13,124	13,291	13,493	13,547	13,541	13,517	13,488

[1] Figures for 1967 and 1968 may differ slightly from those published by the Board of Governors of the Federal Reserve System and the Comptroller of the Currency because of differences in rounding techniques.

[2] Excludes rentals from bank premises; included with "Occupancy expense of bank premises—net."

[3] Excludes compensation of building officers and other employees; included with "Occupancy expense of bank premises—net."

[4] Included with "Other current operating expenses", except Social Security taxes paid on bank's account which were included with "Taxes other than on net income."

[5] Included with "Officer employee benefits", "Occupancy expense of bank premises—net", and "Other current operating expenses."

[6] Included with "Occupancy expense of bank premises—net", and "Furniture and equipment."

[7] Included with "Taxes other than on net income", "Recurring depreciation on banking house, furniture and fixtures" and "Other current operating expenses."

[8] Included with "Recurring depreciation on banking house, furniture and fixtures", and "Other current operating expenses."

[9] Not comparable with amounts reported for previous years; see footnotes 4, 5, 7, and 8.

[10] For 1960 and for 1964 through 1968, averages of amounts reported at beginning, middle, and end of year. For 1961 and 1962, averages of amounts for four consecutive official call dates beginning with the end of the previous year and ending with the fall call of the current year. For 1963, averages of amounts reported at 1962 year-end, 1963 spring, mid-year, and year-end calls.

Table 113. RATIOS OF INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS) 1960-1968

Income item	1960	1961	1962	1963	1964	1965	1966	1967	1968
Amounts per $100 of current operating revenue									
Current operating revenue—total	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00	$100.0	$100.00	$100.00
Interest on U. S. Government obligations	16.69	17.18	17.13	16.11	14.91	13.23	11.88	11.95	11.79
Interest and dividends on other securities	5.40	5.68	6.21	6.82	7.22	7.64	7.85	8.74	9.33
Income on loans	63.48	63.31	63.16	64.19	65.13	66.63	68.11	67.24	67.20
Service charges on deposit accounts	5.50	5.70	5.58	5.39	5.20	5.01	4.69	4.53	4.14
Other charges, commissions, fees, etc.	2.04	2.02	1.94	1.84	1.87	1.81	1.81	1.89	1.88
Other current operating revenue	6.89	[2]6.11	[2]5.98	[2]5.65	[2]5.67	[2]5.68	[2]5.66	[2]5.65	[2]5.66
Current operating expenses—total	64.65	67.22	70.29	71.91	72.53	74.25	74.64	76.00	75.96
Salaries, wages, and fees	26.62	[3]26.73	[3]25.67	[3]24.81	[3]23.90	[3]22.83	[3]20.99	[3]21.26	[3]20.42
Officer and employee benefits	(4)	3.41	3.43	3.38	3.27	3.13	3.07	3.06	2.97
Interest on time and savings deposits	16.65	19.03	23.28	25.64	27.21	30.15	32.09	33.88	34.07
Taxes other than on net income	2.66	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Recurring depreciation on banking house, furniture and fixtures	1.98	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Occupancy expense of bank premises—net	(7)	4.61	4.55	4.50	4.46	4.35	4.11	4.01	3.86
Furniture and equipment	(8)	2.03	2.19	2.31	2.41	2.45	2.35	2.45	2.48
Other current operating expenses	16.74	[9]11.41	[9]11.17	[9]11.27	[9]11.28	[9]11.34	[9]12.03	[9]11.34	[9]12.21
Net current operating earnings	35.35	32.78	29.71	28.09	27.47	25.75	25.36	24.00	24.04
Amounts per $100 of total assets[10]									
Current operating revenue—total	4.35	4.35	4.45	4.52	4.62	4.71	5.04	5.17	5.44
Current operating expenses—total	2.81	2.92	3.13	3.25	3.35	3.50	3.76	3.93	4.13
Net current operating earnings	1.54	1.43	1.32	1.27	1.27	1.21	1.28	1.24	1.31
Recoveries, transfers from valuation reserves, and profits—total	.23	.28	.17	.16	.10	.11	.09	.10	.07
Losses, charge-offs, and transfers to valuation reserves—total	.40	.37	.30	.30	.32	.33	.41	.31	.38
Net income before related taxes	1.37	1.34	1.19	1.13	1.05	.99	.96	1.03	1.00
Net income after related taxes	.81	.79	.73	.72	.70	.70	.69	.75	.73
Amounts per $100 of total capital accounts[10]									
Net current operating earnings	18.99	17.05	15.99	15.63	15.64	15.03	16.03	15.90	17.33
Recoveries, transfers from valuation reserves, and profits—total	2.88	3.32	2.06	1.93	1.22	1.35	1.11	1.27	.92
Losses, charge-offs, and transfers to valuation reserves—total	4.90	4.39	3.69	3.64	3.86	4.08	5.10	4.03	4.97
Net income before related taxes	16.97	15.98	14.36	13.92	13.00	12.30	12.04	13.14	13.28
Taxes on net income	6.94	6.61	5.53	5.06	4.35	3.57	3.34	3.58	3.58
Net income after related taxes	10.03	9.37	8.83	8.86	8.65	8.73	8.70	9.56	9.70
Cash dividends declared	4.16	4.20	4.15	4.09	4.12	4.17	4.24	4.34	4.50
Net additions to capital from income	5.87	5.17	4.68	4.77	4.53	4.56	4.46	5.22	5.20
Special ratios[10]									
Income on loans per $100 of loans	5.96	5.94	6.04	5.98	5.94	5.97	6.32	6.48	6.88
Income on U.S. Government obligations per $100 of U.S. Government obligations	3.10	3.08	3.24	3.40	3.65	3.74	4.13	4.54	4.88
Income on other securities per $100 of other securities	2.88	2.90	2.95	2.93	2.98	3.09	3.25	3.45	3.64
Service charges per $100 of demand deposits	.39	.43	.44	.46	.46	.47	.49	.51	.49
Interest paid per $100 of time and savings deposits	2.56	2.71	3.18	3.31	3.42	3.69	4.04	4.24	4.48
Number of banks, December 31	13,126	13,115	13,124	13,291	13,493	13,547	13,541	13,517	13,488

Note: For footnotes, see Table 112, p. 199, Nos. 2-10.

Table 114. SOURCES AND DISPOSITION OF TOTAL INCOME, INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1960-1968

(Amounts in millions of dollars)

Income item	1960	1961	1962	1963	1964	1965	1966	1967	1968
Amount									
Total income	**11,298**	**11,778**	**12,686**	**13,978**	**15,347**	**17,208**	**19,850**	**22,119**	**25,804**
Sources									
Loans	6,807	7,009	7,718	8,672	9,785	11,205	13,286	14,647	17,121
U.S. Government obligations	1,791	1,902	2,093	2,176	2,240	2,225	2,318	2,602	3,005
Other securities	579	629	759	921	1,086	1,285	1,532	1,905	2,376
Service charges on deposits	590	630	681	729	781	843	915	987	1,056
Other current income	[1]957	900	968	1,011	1,132	1,260	1,457	1,641	1,920
Recoveries, etc.	575	708	467	468	322	390	342	418	326
Disposition									
Salaries and wages[2]	2,854	3,336	3,556	3,808	4,082	4,365	4,778	5,297	5,959
Interest on deposits	1,785	2,107	2,845	3,464	4,088	5,071	6,259	7,380	8,682
Other current expenses	[3]2,293	1,998	2,188	2,442	2,728	3,051	3,524	3,876	4,714
Charge-offs, etc.	979	935	837	884	1,017	1,178	1,574	1,327	1,757
Income taxes	1,384	1,406	1,256	1,227	1,148	1,029	1,030	1,177	1,267
Dividends and interest on capital	832	895	941	993	1,088	1,202	1,307	1,426	1,589
Additions to capital accounts	1,171	1,101	1,063	1,159	1,195	1,312	1,377	1,716	1,837
Percentage distribution									
Total income	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Sources									
Loans	60.2	59.5	60.8	62.0	63.8	65.1	66.9	66.0	66.3
U.S. Government obligations	15.9	16.2	16.5	15.6	14.6	12.9	11.7	11.7	11.6
Other securities	5.1	5.3	6.0	6.6	7.1	7.5	7.7	8.6	9.2
Service charges on deposits	5.2	5.4	5.4	5.2	5.1	4.9	4.6	4.4	4.1
Other current income	8.5	7.6	7.6	7.2	7.3	7.3	7.4	7.4	7.4
Recoveries, etc.	5.1	6.0	3.7	3.4	2.1	2.3	1.7	1.9	1.3
Disposition									
Salaries and wages	25.3	28.3	28.0	27.2	26.6	25.4	24.0	23.9	23.1
Interest on deposits	15.8	17.9	22.4	24.8	26.6	29.5	31.5	33.2	33.6
Other current expenses	20.3	17.0	17.2	17.5	17.8	17.7	17.7	17.5	18.3
Charge-offs, etc.	8.6	7.9	6.6	6.3	6.6	6.8	8.0	6.0	6.8
Income taxes	12.2	11.9	10.0	8.8	7.5	6.0	5.2	5.3	4.9
Dividends and interest on capital	7.4	7.6	7.4	7.1	7.1	7.0	6.6	6.4	6.2
Additions to capital accounts	10.4	9.4	8.4	8.3	7.8	7.6	7.0	7.7	7.1

[1] For description of changes in report form made in 1961, see p. 197. Rentals from bank premises are included in "other current income" in 1960, and in net "other current expenses" in 1961-1968.

[2] Includes in each year fees paid to directors and committees. In 1961-1968 includes officer and employee benefits; these were included in "other current expenses" in 1960. In 1961-1968 excludes salaries, wages, and benefits of officers and employees in building department which are included in "other current expenses."

[3] Not comparable with amounts shown in 1961-1968; see footnotes 1 and 2.

Note: Due to rounding differences, components may not add to totals.

Table 115. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1968

BANKS GROUPED BY CLASS OF BANK

(Amounts in thousands of dollars)

Income item	Total	Members F.R. System		Not members F.R. System	Operating throughout the year	Operating less than full year
		National	State			
Current operating revenue—total	**25,478,404**	**14,998,909**	**5,808,768**	**4,670,727**	**25,468,034**	**10,370**
Interest on U.S. Government obligations	3,004,655	1,623,092	584,620	796,943	3,002,561	2,094
Interest and dividends on other securities	2,376,223	1,415,326	513,572	447,325	2,375,476	747
Interest and discount on loans	16,723,099	9,990,129	3,829,472	2,903,498	16,717,517	5,582
Service charges and fees on loans	397,980	234,196	88,607	75,177	397,084	896
Service charges on deposit accounts	1,055,964	630,158	173,363	252,443	1,055,600	364
Other charges, commissions, fees, etc.	478,028	270,084	101,205	106,739	477,640	388
Trust department	906,206	493,362	374,244	38,600	906,183	23
Other current operating revenue	536,249	342,562	143,685	50,002	535,973	276
Current operating expenses—total	**19,354,237**	**11,451,750**	**4,296,742**	**3,605,745**	**19,343,131**	**11,106**
Salaries—officers	1,861,448	1,022,622	371,372	467,454	1,859,742	1,706
Salaries and wages—other employees	3,240,355	1,911,406	789,018	539,931	3,238,594	1,761
Officer and employee benefits	755,744	450,202	182,832	122,710	755,479	265
Fees paid to directors and committees	101,313	47,385	14,834	39,094	101,273	40
Interest on time and savings deposits	8,681,705	5,302,984	1,803,349	1,575,372	8,678,951	2,754
Interest on borrowed money	528,986	308,610	207,672	12,704	528,973	13
Occupancy expense of bank premises—net	970,034	553,516	229,700	186,818	969,238	796
Furniture and equipment	631,564	374,562	131,345	125,657	631,187	377
Other current operating expenses	2,583,088	1,480,463	566,620	536,005	2,579,694	3,394
Net current operating earnings	**6,124,167**	**3,547,159**	**1,512,026**	**1,064,982**	**6,124,903**	**736**
Recoveries, transfers from valuation reserves, and profits—total	**326,034**	**178,813**	**82,061**	**65,160**	**325,949**	**85**
On securities:						
Profits on securities sold or redeemed	98,417	48,492	25,192	24,733	98,355	62
Recoveries	6,465	3,926	459	2,080	6,465	..
Transfers from valuation reserves	42,501	22,174	14,213	6,114	42,501	
On loans:						
Recoveries	12,419	5,966	831	5,622	12,419	
Transfer from valuation reserves	58,681	29,126	21,705	7,850	58,681	....
All other	107,551	69,129	19,661	18,761	107,528	23
Losses, charge-offs, and transfers to valuation reserves—total	**1,757,219**	**1,026,810**	**436,330**	**294,079**	**1,756,668**	**551**
On securities:						
Losses on securities sold	536,937	308,926	180,349	47,662	536,909	28
Charge-offs prior to sale	12,117	6,866	1,502	3,749	12,117	
Transfers to valuation reserves	54,960	33,805	11,072	10,083	54,960	
On loans:						
Losses and charge-offs	25,219	9,741	3,540	11,938	25,172	47
Transfers to valuation reserves	953,305	559,883	204,401	189,021	952,879	426
All other	174,681	107,589	35,466	31,626	174,631	50
Net income before related taxes	**4,692,982**	**2,699,162**	**1,157,757**	**836,063**	**4,694,184**	**1,202**

Taxes on net income—total	**1,267,044**	**709,671**	**343,082**	**214,291**	**1,266,933**	**111**
Federal	1,086,889	611,614	279,091	196,184	1,086,787	102
State	180,155	98,057	63,991	18,107	180,146	9
Net income after related taxes	**3,425,938**	**1,989,491**	**814,675**	**621,772**	**3,427,251**	**1,313**
Dividends and interest on capital—total	**1,589,114**	**955,013**	**429,252**	**204,849**	**1,589,114**	......
Cash dividends declared on common stock	1,488,670	893,185	398,502	196,983	1,488,670	....
Dividends declared on preferred stock and interest on capital notes and debentures	100,444	61,828	30,750	7,866	100,444	......
Net additions to capital from income	**1,836,824**	**1,034,478**	**385,423**	**416,923**	**1,838,137**	**1,313**
Number of banking employees (exclusive of building employees), December 31:						
Active officers	153,655	82,597	25,935	45,123	153,426	229
Other employees	679,084	397,270	148,997	132,817	678,315	769
Memoranda						
Recoveries credited to valuation reserves (not included in recoveries above):						
On securities	1,913	890	369	654	1,913	
On loans	219,115	142,565	41,933	34,617	219,115	
Losses charged to valuation reserves (not included in losses above):						
On securitites	32,262	28,299	1,510	2,453	32,262	....
On loans	629,707	396,104	104,848	128,755	629,695	12
Occupancy expense of bank premises						
Occupancy expense of bank premises, net—total	**970,034**	**553,516**	**229,700**	**186,818**	**969,238**	**796**
Rental and other income	203,389	134,448	48,019	20,922	203,365	24
Occupancy expense of bank premises, gross—total	**1,173,423**	**687,964**	**277,719**	**207,740**	**1,172,603**	**820**
Salaries—building department officers	4,312	2,669	1,027	616	4,310	2
Salaries and wages—building department employees	111,626	67,236	27,117	17,273	111,594	32
Building department personnel benefits	13,969	8,725	3,989	1,255	13,964	5
Recurring depreciation	204,383	123,207	45,004	36,172	204,268	115
Maintenance and repairs	145,808	89,221	29,009	27,578	145,718	90
Insurance and utilities	193,038	111,497	42,725	38,816	192,872	166
Rents paid	336,355	185,652	92,039	58,664	336,022	333
Taxes	163,932	99,757	36,809	27,366	163,855	77
Number of building employees, December 31:						
Officers	463	261	77	125	463	....
Other employees	33,523	18,821	6,468	8,234	33,487	36
Number of banks, December 31	13,488	4,716	1,261	7,511	13,408	80

Note: The figures in this table may differ slightly from those published by the Board of Governors of the Federal Reserve System and the Comptroller of the Currency because of differences in rounding techniques.

Table 116. INCOME OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1968 IN THE UNITED STATES (STATES AND OTHER AREAS)

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

(Amounts in thousands of dollars)

Income item	All banks[1]	Banks with deposits of—[2]								
		Less than $1,000,000	$1,000,000 to $2,000,000	$2,000,000 to $5,000,000	$5,000,000 to $10,000,000	$10,000,000 to $25,000,000	$25,000,000 to $50,000,000	$50,000,000 to $100,000,000	$100,000,000 to $500,000,000	$500,000,000 or more
Current operating revenue—total	**25,468,034**	**10,937**	**109,051**	**718,913**	**1,420,339**	**2,656,149**	**2,057,261**	**1,889,110**	**4,724,312**	**11,881,962**
Interest on U.S. Government obligations	3,002,561	2,957	29,321	166,661	277,909	449,492	300,604	259,255	549,002	967,360
Interest and dividends on other securities	2,375,476	574	6,148	53,565	127,868	266,082	220,507	204,139	457,078	1,039,515
Interest and discount on loans	16,717,517	6,298	64,311	435,414	878,622	1,658,067	1,300,331	1,194,783	3,069,275	8,110,416
Service charges and fees on loans	397,084	90	383	4,190	11,001	29,816	27,590	34,092	84,431	205,491
Service charges on deposit accounts	1,055,600	459	4,582	32,004	77,722	158,893	118,471	92,665	211,623	359,181
Other charges, commissions, fees, etc.	477,640	415	3,299	20,010	31,774	48,263	34,764	34,736	89,515	214,864
Trust department	906,183	1	7	602	1,848	16,288	30,293	39,931	185,295	631,918
Other current operating revenue	535,973	143	1,000	6,467	13,595	29,248	24,701	29,509	78,093	353,217
Current operating expenses—total	**19,343,131**	**8,249**	**82,285**	**549,461**	**1,088,122**	**2,049,040**	**1,595,034**	**1,472,123**	**3,593,790**	**8,905,027**
Salaries—officers	1,859,742	2,963	22,566	110,834	163,550	250,892	174,817	149,157	339,706	645,257
Salaries and wages—other employees	3,238,594	881	8,585	65,304	148,301	299,787	247,921	235,065	653,566	1,579,184
Officer and employee benefits	755,479	265	2,505	16,349	34,782	67,946	55,829	53,213	152,630	371,960
Fees paid to directors and committees	101,273	213	2,256	11,857	17,936	23,442	12,933	9,632	12,901	10,103
Interest on time and savings deposits	8,678,951	1,924	28,403	226,762	477,131	922,420	714,117	664,969	1,511,496	4,131,729
Interest on borrowed money	528,973	11	83	888	1,729	4,889	7,317	11,279	57,668	445,109
Occupancy expense of bank premises—net	969,238	457	3,692	24,724	52,847	103,150	82,086	78,288	191,757	432,237
Furniture and equipment	631,187	191	2,157	15,488	33,441	66,665	55,117	56,005	152,446	249,677
Other current operating expenses	2,579,694	1,344	12,038	77,255	158,405	309,849	244,897	214,515	521,620	1,039,771
Net current operating earnings	**6,124,903**	**2,688**	**26,766**	**169,452**	**332,217**	**607,109**	**462,227**	**416,987**	**1,130,522**	**2,976,935**
Recoveries, transfers from valuation reserves, and profits—total	**325,949**	**160**	**1,880**	**9,633**	**20,185**	**37,175**	**28,838**	**35,885**	**62,453**	**129,740**
On securities:										
Profits on securities sold or redeemed	98,355	14	253	2,687	7,240	15,079	10,789	10,104	23,000	29,189
Recoveries	6,465	3	39	239	859	1,517	570	274	329	2,635
Transfers from valuation reserves	42,501	2	15	250	927	2,170	3,142	5,482	12,533	17,980
On loans:										
Recoveries	12,419	101	1,037	3,339	3,281	2,470	601	428	332	830
Transfers from valuation reserves	58,681	18	111	1,154	2,571	4,376	3,020	7,923	7,632	31,876
All other	107,528	22	425	1,964	5,307	11,563	10,716	11,674	18,627	47,230
Losses, charge-offs, and transfers to valuation reserves—total	**1,756,668**	**519**	**5,918**	**42,083**	**86,830**	**161,874**	**128,543**	**121,385**	**285,381**	**924,135**
On securities:										
Losses on securities sold	536,909	41	413	4,861	10,702	23,387	24,189	28,128	78,157	367,031
Charge-offs prior to sale	12,117	3	47	938	1,687	2,985	822	391	1,790	3,454
Transfers to valuation reserves	54,960	2	58	436	1,470	3,806	4,608	5,435	9,352	29,793
On loans:										
Losses and charge-offs	25,172	249	2,011	6,803	7,252	5,841	1,038	445	977	556
Transfers to valuation reserves	952,879	176	2,695	24,480	55,582	107,606	82,903	70,264	160,668	448,505
All other	174,631	48	694	4,565	10,137	18,249	14,983	16,722	34,437	74,796
Net income before related taxes	**4,694,184**	**2,329**	**22,728**	**137,002**	**265,572**	**482,410**	**362,522**	**331,487**	**907,594**	**2,182,540**

Taxes on net income—total	1,266,933	468	4,953	33,757	67,699	126,637	97,332	79,620	249,371	607,096
Federal	1,086,787	432	4,544	30,887	62,707	118,145	90,481	73,301	229,669	476,621
State	180,146	36	409	2,870	4,992	8,492	6,851	6,319	19,702	130,475
Net income after related taxes	3,427,251	1,861	17,775	103,245	197,873	355,773	265,190	251,867	658,223	1,575,444
Dividends and interest on capital—total	1,589,114	564	5,505	31,813	59,098	112,987	95,531	90,855	293,522	899,239
Cash dividends declared on common stock	1,488,670	564	5,495	31,732	58,776	111,350	93,116	86,987	280,579	820,071
Dividends declared on preferred stock and interest on capital notes and debentures	100,444	...	10	81	322	1,637	2,415	3,868	12,943	79,168
Net additions to capital from income	1,838,137	1,297	12,270	71,432	138,775	242,786	169,659	161,012	364,701	676,205
Number of banking employees (exclusive of building employees), December 31:										
Active officers	153,426	539	3,277	12,652	16,515	22,957	14,497	12,026	25,913	45,050
Other employees	678,315	346	2,765	17,833	38,062	75,246	60,184	54,786	141,201	287,892
Memoranda										
Recoveries credited to valuation reserves (not included in recoveries above):										
On securities	1,913	...	2	17	96	263	259	155	510	611
On loans	219,115	33	705	6,596	15,336	27,463	17,515	17,944	33,868	99,655
Losses charged to valuation reserves (not included in losses above):										
On securities	32,262	...	3	73	278	1,297	2,706	1,681	5,688	20,536
On loans	629,695	120	1,907	18,267	40,970	82,610	60,429	55,054	112,393	257,945
Occupancy expense of bank premises										
Occupancy expense of bank premises, net—total	969,238	457	3,692	24,724	52,847	103,150	82,086	78,288	191,757	432,237
Rental and other income	203,365	32	223	1,836	3,611	10,015	11,327	19,337	52,796	104,188
Occupancy expense of bank premises, gross—total	1,172,603	489	3,915	26,560	56,458	113,165	93,413	97,625	244,553	536,425
Salaries—building department officers	4,310	33	53	63	60	99	151	240	942	2,669
Salaries and wages—building department employees	111,594	9	247	2,645	5,910	11,524	9,468	9,562	26,632	45,597
Building department personnel benefits	13,964	...	2	45	160	829	957	1,029	3,545	7,397
Recurring depreciation	204,268	44	645	5,691	11,951	22,848	17,879	17,644	40,420	87,146
Maintenance and repairs	145,718	57	529	3,231	6,927	14,641	13,057	13,525	31,982	61,769
Insurance and utilities	192,872	230	1,531	7,359	12,611	12,002	15,751	14,518	35,497	83,373
Rents paid	336,022	51	384	2,980	9,534	22,939	21,074	27,337	72,754	178,969
Taxes	163,855	65	524	4,546	9,305	18,283	15,076	13,770	32,781	69,505
Number of building employees, December 31:										
Officers	463	1	10	50	30	41	28	33	86	184
Other employees	33,487	42	502	2,621	3,343	4,201	2,878	2,849	6,856	10,195
Number of banks, December 31	13,408	244	1,200	3,629	3,408	2,950	1,023	464	382	108

[1] This group of banks is the same as the group shown in Table 115 under the heading "Operating throughout the year".
[2] For asset and liability data, see Table 109, p.191.
Note: The figures in this table may differ slightly from those published by the Board of Governors of the Federal Reserve System and the Comptroller of the Currency because of differences in rounding techniques.

Table 117. RATIOS OF INCOME OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1968 IN THE UNITED STATES (STATES AND OTHER AREAS)[1]

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

Income item	Banks with deposits of—								
	Less than $1,000,000	$1,000,000 to $2,000,000	$2,000,000 to $5,000,000	$5,000,000 to $10,000,000	$10,000,000 to $25,000,000	$25,000,000 to $50,000,000	$50,000,000 to $100,000,000	$100,000,000 to $500,000,000	$500,000,000 or more
Amounts per $100 of current operating revenue									
Current operating revenue—total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
Interest on U.S. Government obligations	27.04	26.89	23.18	19.57	16.92	14.61	13.72	11.62	8.14
Interest and dividends on other securities	5.25	5.64	7.45	9.00	10.02	10.72	10.81	9.68	8.75
Income on loans	58.41	59.32	61.15	62.63	63.55	64.55	65.05	66.75	69.99
Service charges on deposit accounts	4.20	4.20	4.45	5.47	5.98	5.76	4.91	4.48	3.02
Other service charges, commissions, fees, etc.	3.79	3.03	2.78	2.24	1.82	1.69	1.84	1.89	1.81
Other current operating revenue	1.32	.92	.98	1.09	1.71	2.67	3.68	5.58	8.29
Current operating expenses—total	**75.42**	**75.46**	**76.43**	**76.61**	**77.14**	**77.53**	**77.93**	**76.07**	**74.95**
Salaries, wages, and fees	37.09	30.63	26.15	23.22	21.61	21.18	20.85	21.30	18.81
Officer and employee benefits	2.42	2.30	2.27	2.45	2.56	2.71	2.82	3.23	3.13
Interest on time and savings deposits	17.59	26.05	31.54	33.59	34.73	34.71	35.20	31.99	34.77
Occupancy expense of bank premises—net	4.18	3.39	3.44	3.72	3.88	3.99	4.14	4.06	3.64
Furniture and equipment	1.75	1.98	2.15	2.35	2.51	2.68	2.96	3.23	2.10
Other current operating expenses	12.39	11.11	10.87	11.27	11.85	12.26	11.95	12.26	12.50
Net current operating earnings	**24.58**	**24.54**	**23.57**	**23.39**	**22.86**	**22.47**	**22.07**	**23.93**	**25.05**
Amounts per $100 of total assets[2]									
Current operating revenue—total	4.01	5.51	5.61	5.64	5.68	5.69	5.68	5.57	5.26
Current operating expenses—total	3.03	4.16	4.29	4.32	4.38	4.41	4.43	4.24	3.94
Net current operating earnings	.99	1.35	1.32	1.32	1.30	1.28	1.25	1.33	1.32
Recoveries, transfers from valuation reserves, and profits—total	.06	.10	.08	.08	.08	.08	.11	.07	.06
Losses, charge-offs, and transfers to valuation reserves—total	.19	.30	.33	.34	.35	.36	.37	.34	.41
Net income before related taxes	.85	1.15	1.07	1.05	1.03	1.00	1.00	1.07	.97
Net income after related taxes	.68	.90	.81	.79	.76	.73	.76	.78	.70
Memoranda									
Recoveries credited to valuation reserves (not included in recoveries above):									
On securities	....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
On loans	.01	.04	.05	.06	.06	.05	.05	.04	.04
Losses charged to valuation reserves (not included in losses above):									
On securities	....	(3)	(3)	(3)	(3)	.01	.01	.01	.01
On loans	.04	.10	.14	.16	.18	.17	.17	.13	.11

Amounts per $100 of total capital accounts[2]									
Net current operating earnings	9.95	12.39	13.95	15.92	17.00	17.73	17.07	18.18	17.67
Recoveries, transfers from valuation reserves, and profits—total	.59	.87	.79	.97	1.04	1.11	1.47	1.00	.77
Losses, charge-offs, and transfers to valuation reserves—total	1.92	2.74	3.46	4.16	4.53	4.93	4.97	4.59	5.49
Net income before related taxes	8.62	10.52	11.28	12.73	13.51	13.90	13.57	14.59	12.96
Taxes on net income	1.73	2.29	2.78	3.24	3.55	3.73	3.26	4.01	3.60
Net income after taxes	6.89	8.23	8.50	9.48	9.96	10.17	10.31	10.58	9.35
Cash dividends declared	2.09	2.55	2.62	2.83	3.16	3.66	3.72	4.72	5.34
Net additions to capital from income	4.80	5.68	5.88	6.65	6.80	6.51	6.59	5.86	4.01
Memoranda									
Recoveries credited to reserve accounts (not included in recoveries above):									
On securities	...	[3]	[3]	[3]	.01	.01	.01	.01	....
On loans	.12	.33	.54	.74	.77	.67	.73	.54	.59
Losses charged to reserve accounts (not included in losses above):									
On securities	....	[3]	.01	.01	.04	.10	.07	.09	.12
On loans	.44	.88	1.50	1.96	2.31	2.32	2.25	1.81	1.53
Special ratios[2]									
Income on loans per $100 of loans	5.15	7.22	7.17	7.12	7.04	6.92	6.96	6.84	6.57
Income on U.S. Government obligations per $100 of U.S. Government obligations	3.99	5.06	5.07	5.04	5.00	4.95	4.89	4.83	4.79
Income on other securities per $100 of other securities	1.87	2.85	3.18	3.31	3.43	3.64	3.69	3.66	3.77
Service charges per $100 of demand deposits	.36	.46	.55	.71	.81	.77	.65	.53	.34
Interest paid per $100 of time and savings deposits	1.74	3.80	3.98	4.03	4.06	4.12	4.23	4.22	4.95
Occupancy expense of bank premises per $100 of current operating revenue									
Occupancy expense of bank premises, net—total	**4.18**	**3.39**	**3.44**	**3.72**	**3.88**	**3.99**	**4.14**	**4.06**	**3.64**
Rental and other income	.29	.20	.26	.25	.38	.55	1.02	1.12	.88
Occupancy expense of bank premises, gross—total	**4.47**	**3.59**	**3.69**	**3.97**	**4.26**	**4.54**	**5.17**	**5.18**	**4.51**
Salaries and wages—building department officers and employees	.38	.28	.38	.42	.44	.47	.52	.58	.41
Building department personnel benefits	....	....	.01	.01	.03	.05	.05	.08	.06
Recurring depreciation	.40	.59	.79	.84	.86	.87	.93	.86	.73
Maintenance and repairs	.52	.49	.45	.49	.55	.63	.72	.68	.52
Insurance and utilities	2.10	1.40	1.02	.89	.83	.77	.77	.75	.70
Rents paid	.47	.35	.41	.67	.86	1.02	1.45	1.54	1.51
Taxes	.59	.48	.63	.66	.69	.73	.73	.69	.58
Number of banks, December 31	244	1,200	3,629	3,408	2,950	1,023	464	382	108

[1] This group of banks is the same as the group shown in Table 115 under the heading "Operating throughout the year."
[2] Ratios are based upon average assets and liabilities reported at beginning, middle, and end of year.
[3] Less than .005.

Table 118. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1968

(AMOUNTS IN THOUSANDS OF DOLLARS)

Income item	Total United States	Other areas: Puerto Rico	Other areas: Virgin Islands	50 States and D.C.	Alabama	Alaska	Arizona	Arkansas	California	Colorado
Current operating revenue—total	**25,478,404**	**85,193**	**4,062**	**25,389,149**	**249,861**	**29,112**	**189,002**	**142,571**	**2,909,881**	**244,081**
Interest on U.S. Government obligations	3,004,655	7,529	450	2,996,676	39,262	3,989	14,128	19,812	229,987	27,381
Interest and dividends on other securities	2,376,223	5,192	449	2,370,582	24,668	2,338	14,154	14,645	259,435	15,638
Interest and discount on loans	16,723,099	57,387	2,221	16,663,491	157,025	16,879	134,565	93,303	1,971,315	157,339
Service charges and fees on loans	397,980	7,885	607	389,488	2,699	1,345	3,772	703	69,989	4,543
Service charges on deposit accounts	1,055,964	2,811	56	1,053,097	14,085	2,414	11,696	7,760	159,812	17,080
Other charges, commissions, fees, etc.	478,028	2,325	101	475,602	5,036	1,649	3,698	3,543	54,310	5,521
Trust department	906,206	52	...	906,154	4,510	145	4,101	1,394	77,729	10,136
Other current operating revenue	536,249	2,012	178	534,059	2,576	353	2,888	1,411	87,304	6,443
Current operating expenses—total	**19,354,237**	**70,576**	**3,451**	**19,280,210**	**183,519**	**23,045**	**155,094**	**108,490**	**2,345,652**	**187,824**
Salaries—officers	1,861,448	6,773	292	1,854,383	23,063	3,319	15,598	15,950	214,753	22,095
Salaries and wages—other employees	3,240,355	14,529	766	3,225,060	32,639	5,034	29,197	17,158	395,002	31,786
Officer and employee benefits	755,744	3,421	175	752,148	7,550	839	6,121	3,795	85,655	6,305
Fees paid to directors and committees	101,313	214	11	101,088	1,510	68	224	1,499	2,104	1,492
Interest on time and savings deposits	8,681,705	26,500	1,526	8,653,679	74,545	7,943	67,818	39,853	1,153,584	74,978
Interest on borrowed money	528,986	831	22	528,133	638	35	2,313	1,187	61,475	2,397
Occupancy expense of bank premises—net	970,034	4,084	152	965,798	8,625	1,374	8,612	6,553	127,247	10,427
Furniture and equipment	631,564	2,295	55	629,214	7,415	1,149	5,291	4,715	66,401	8,016
Other current operating expenses	2,583,088	11,929	452	2,570,707	27,534	3,284	19,920	17,780	239,431	30,328
Net current operating earnings	**6,124,167**	**14,617**	**611**	**6,108,939**	**66,342**	**6,067**	**33,908**	**34,081**	**564,229**	**56,257**
Recoveries, transfers from valuation reserves, and profits—total	**326,034**	**1,574**	**2**	**324,458**	**3,224**	**272**	**2,223**	**1,888**	**21,003**	**2,498**
On securities:										
Profits on securities sold or redeemed	98,417	1,172		97,245	1,785	61	160	811	4,640	954
Recoveries	6,465			6,465	51			5	30	80
Transfers from valuation reserves	42,501			42,501	371				4,363	214
On loans:										
Recoveries	12,419	88		12,331	172		6	344	913	293
Transfers from valuation reserves	58,681	44		58,637	184			115	1,214	63
All other	107,551	270	2	107,279	661	211	2,057	613	9,843	894
Losses, charge-offs, and transfers to valuation reserves—total	**1,757,219**	**5,198**	**243**	**1,751,778**	**16,910**	**2,004**	**18,036**	**9,493**	**196,804**	**14,916**
On securities:										
Losses on securities sold	536,937	250	6	536,681	3,366	427	4,958	1,090	37,849	2,244
Charge-offs prior to sale	12,117			12,117	155		282	145	622	193
Transfers to valuation reserves	54,960			54,960	352			57	11,086	1
On loans:										
Losses and charge-offs	25,219	873		24,346	520		18	462	1,131	366
Transfers to valuation reserves	953,305	3,869	231	949,205	9,971	1,305	11,817	6,033	118,995	10,110
All other	174,681	206	6	174,469	2,546	272	961	1,706	27,121	2,002
Net income before related taxes	**4,692,982**	**10,993**	**370**	**4,681,619**	**52,656**	**4,335**	**18,095**	**26,476**	**388,428**	**43,839**

Taxes on net income—total	1,267,044	792	-48	1,266,300	16,306	1,175	1,970	6,053	95,762	14,219
Federal	1,086,889	688	-48	1,086,249	13,789	1,168	1,563	6,053	55,966	11,958
State	180,155	104		180,051	2,517	7	407	......	39,796	2,261
Net income after related taxes	3,425,938	10,201	418	3,415,319	36,350	3,160	16,125	20,423	292,666	29,620
Dividends and interest on capital—total	1,589,114	3,778		1,585,336	14,094	686	10,339	6,277	160,792	13,018
Cash dividends declared on common stock	1,488,670	3,168		1,485,502	14,091	645	8,891	5,984	145,476	12,674
Dividends declared on preferred stock and interest on capital notes and debentures	100,444	610		99,834	3	41	1,448	293	15,316	344
Net additions to capital from income	1,836,824	6,423	418	1,829,983	22,256	2,474	5,786	14,146	131,874	16,602
Number of banking employees (exclusive of building employees), December 31:										
Active officers	153,655	698	23	152,934	2,043	194	1,334	1,597	18,221	1,809
Other employees	679,084	3,353	170	675,561	7,991	856	6,225	4,402	76,553	6,948
Memoranda										
Recoveries credited to valuation reserves (not included in recoveries above):										
On securities	1,913	.....	...	1,913	32	5	....	16	40	.....
On loans	219,115	1,152	62	217,901	3,183	719	3,260	1,796	29,737	2,630
Losses charged to valuation reserves (not included in losses above):										
On securities	32,262	.....	....	32,262	119	...	.....	213	7,917	.....
On loans	629,707	2,743	126	626,838	10,311	1,783	9,289	5,343	95,791	8,544
Occupancy expense of bank premises										
Occupancy expense, net—total	970,034	4,084	152	965,798	8,625	1,374	8,612	6,553	127,247	10,427
Rental and other income	203,389	551	23	202,815	766	488	2,011	579	13,381	3,645
Occupancy expense, gross—total	1,173,423	4,635	175	1,168,613	9,391	1,862	10,623	7,132	140,628	14,072
Salaries—building department officers	4,312	49		4,263	29		85	29	478	19
Salaries and wages—building department employees	111,626	406		111,220	990	36	744	815	5,173	1,134
Building department personnel benefits	13,969	89	...	13,880	107	12	117	75	843	127
Recurring depreciation	204,383	588	4	203,791	1,716	371	1,848	2,150	16,812	1,659
Maintenance and repairs	145,808	652	32	145,124	1,045	440	946	664	22,378	1,396
Insurance and utilities	193,038	636	37	192,365	1,706	399	2,633	1,418	17,326	2,188
Rents paid	336,355	1,967	98	334,290	3,393	307	3,091	1,032	61,404	5,915
Taxes	163,932	248	4	163,680	405	297	1,159	949	16,214	1,634
Average assets and liabilities										
Total assets	468,213,107	1,169,715	57,010	466,986,382	4,473,521	417,687	2,984,523	2,704,731	48,732,138	3,964,917
Total deposits	407,508,260	1,027,760	51,131	406,429,369	4,013,228	384,367	2,650,720	2,437,660	42,667,605	3,563,090
Total capital accounts	35,332,148	93,640	4,409	35,234,099	368,429	27,138	199,955	222,984	3,198,366	296,258
Number of building employees, December 31:										
Officers	463	6		457	4	...	7	6	33	5
Other employees	33,523	115	......	33,408	379	6	140	303	934	307
Number of banks, December 31	13,488	7	1	13,480	268	10	13	245	156	219

Table 118. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1968—CONTINUED

(AMOUNTS IN THOUSANDS OF DOLLARS)

Income item	Connecticut	Delaware	D.C.	Florida	Georgia	Hawaii	Idaho	Illinois	Indiana	Iowa
Current operating revenue—total	**298,588**	**72,406**	**157,136**	**641,160**	**426,354**	**89,980**	**72,953**	**1,844,734**	**532,361**	**317,204**
Interest on U.S. Government obligations	24,447	8,834	29,364	108,508	46,668	7,957	8,044	275,630	96,258	55,531
Interest and dividends on other securities	29,169	8,027	9,756	77,478	30,961	8,081	5,595	187,351	42,852	27,991
Interest and discount on loans	196,743	42,286	94,062	357,291	271,006	60,727	49,180	1,161,355	333,931	203,707
Service charges and fees on loans	2,953	1,280	2,419	13,646	10,016	4,246	1,516	19,354	6,590	1,483
Service charges on deposit accounts	15,317	1,685	7,885	39,353	27,346	3,012	5,335	49,293	20,106	13,681
Other charges, commissions, fees, etc.	5,357	738	1,702	12,315	21,202	3,142	2,303	23,332	13,231	7,177
Trust department	21,152	8,215	7,601	16,511	12,273	1,005	462	78,737	12,317	4,266
Other current operating revenue	3,450	1,341	4,347	16,058	6,882	1,810	518	49,682	7,076	3,368
Current operating expenses—total	**227,430**	**46,890**	**109,065**	**486,525**	**322,434**	**70,375**	**55,624**	**1,382,302**	**413,098**	**245,501**
Salaries—officers	24,477	6,229	10,685	51,225	37,012	6,567	7,088	121,487	44,849	39,177
Salaries and wages—other employees	47,294	11,186	19,694	82,992	59,096	12,730	9,133	200,327	65,229	31,228
Officer and employee benefits	11,464	2,320	3,500	17,550	16,866	3,836	2,236	51,665	14,117	8,174
Fees paid to directors and committees	1,179	280	586	3,938	2,924	308	225	7,646	3,287	1,721
Interest on time and savings deposits	83,044	15,017	43,830	204,278	116,685	30,074	23,754	683,881	179,824	110,716
Interest on borrowed money	2,211	168	1,755	6,235	5,994	271	208	44,834	8,106	1,265
Occupancy expense of bank premises—net	14,591	2,835	6,888	21,690	20,013	4,117	2,339	54,952	20,783	10,576
Furniture and equipment	9,594	2,552	3,762	22,552	11,864	3,082	2,541	40,363	15,199	8,974
Other current operating expenses	33,576	6,303	18,365	76,065	51,980	9,390	8,100	177,147	61,704	33,670
Net current operating earnings	**71,158**	**25,516**	**48,071**	**154,635**	**103,920**	**19,605**	**17,329**	**462,432**	**119,263**	**71,703**
Recoveries, transfers from valuation reserves, and profits—total	**2,030**	**1,208**	**1,193**	**8,025**	**8,506**	**626**	**520**	**27,993**	**10,495**	**3,873**
On securities:										
Profits on securities sold or redeemed	439	292	581	2,328	2,579	24	123	8,690	3,407	1,853
Recoveries	24	2	2	175	112		2	2,726	116	139
Transfers from valuation reserves	202			240	2,563		251	1,615	1,940	215
On loans:										
Recoveries	2	13	16	188	185	3	68	423	275	306
Transfers from valuation reserves	409	695	15	901	841	. . . .	. . .	7,761	1,829	173
All other	954	206	579	4,193	2,226	599	76	6,778	2,928	1,187
Losses, charge-offs, and transfers to valuation reserves—total	**18,592**	**4,506**	**5,519**	**47,348**	**36,949**	**5,574**	**3,498**	**140,667**	**37,369**	**15,301**
On securities:										
Losses on securities sold	5,510	1,659	431	10,157	11,456	1,248	808	49,691	7,774	3,013
Charge-offs prior to sale	2		. . . .	549	199		. . .	454	313	218
Transfers to valuation reserves	45		17	476	622		45	8,992	1,837	113
On loans:										
Losses and charge-offs	. . . . . .	22	. . . . .	725	358	. . . . .	199	1,281	427	401
Transfers to valuation reserves	11,319	2,649	4,003	30,497	19,569	3,395	2,023	71,185	23,228	9,583
All other	1,716	176	1,068	4,944	4,745	931	423	9,064	3,790	1,973
Net income before related taxes	**54,596**	**22,218**	**43,745**	**115,312**	**75,477**	**14,657**	**14,351**	**349,758**	**92,389**	**60,275**

Taxes on net income—total	17,132	7,990	18,198	26,922	19,712	2,997	4,551	96,256	25,962	16,031
Federal	11,854	7,537	18,198	26,922	19,712	2,317	3,825	96,256	25,962	16,031
State	5,278	453	......	......	......	680	726	......	......	......
Net income after related taxes	37,464	14,228	25,547	88,390	55,765	11,660	9,800	253,502	66,427	44,244
Dividends and interest on capital—total	18,454	8,596	11,386	26,225	26,133	7,409	4,228	93,841	23,152	15,032
Cash dividends declared on common stock	18,325	8,596	10,491	25,402	23,324	6,117	4,077	92,960	22,754	14,916
Dividends declared on preferred stock and interest on capital notes and debentures	129		895	823	2,809	1,292	151	881	398	116
Net additions to capital from income	19,010	5,632	14,161	62,165	29,632	4,251	5,572	159,661	43,275	29,212
Number of banking employees (exclusive of building employees), December 31:										
Active officers	1,808	461	717	4,523	3,242	505	602	9,210	3,806	3,442
Other employees	9,811	2,465	3,839	20,065	12,690	2,749	2,105	39,339	14,833	7,848
Memoranda										
Recoveries credited to valuation reserves (not included in recoveries above):										
On securities	75	....	....	59	83	.....	....	35	2	...
On loans	1,530	144	875	6,426	2,938	588	280	16,094	4,634	2,145
Losses charged to valuation reserves (not included in losses above):										
On securities	295	.....	.....	346	425	.....	.....	4,970	23	171
On loans	6,273	678	3,407	21,868	8,902	2,071	1,336	49,911	16,214	6,243
Occupancy expense of bank premises										
Occupancy expense, net—total	14,591	2,835	6,888	21,690	20,013	4,117	2,339	54,952	20,783	10,576
Rental and other income	2,036	229	1,206	6,555	2,861	1,615	353	13,075	3,257	1,601
Occupancy expense, gross—total	16,627	3,064	8,094	28,245	22,874	5,732	2,692	68,027	24,040	12,177
Salaries—building department officers	41		.....	132	69	62		223	66	37
Salaries and wages—building department employees	1,324	125	1,255	2,634	1,429	213	225	9,416	3,137	1,556
Building department personnel benefits	190	15	141	307	134	67	19	1,049	271	100
Recurring depreciation	2,868	308	1,036	5,365	3,733	818	640	11,339	4,396	2,224
Maintenance and repairs	1,958	239	770	4,079	2,330	658	220	8,426	3,421	1,565
Insurance and utilities	3,374	449	1,389	5,482	3,148	1,275	555	8,793	4,102	2,303
Rents paid	4,323	1,818	2,688	5,513	7,873	2,199	678	19,115	5,533	2,566
Taxes	2,549	110	815	4,733	4,158	440	355	9,666	3,114	1,826
Average assets and liabilities[1]										
Total assets	5,049,460	1,250,125	2,929,422	11,502,237	6,805,727	1,410,978	1,188,129	34,631,898	9,901,774	5,979,748
Total deposits	4,465,010	1,104,342	2,632,478	10,382,907	6,001,961	1,258,989	1,078,382	29,933,408	8,834,527	5,419,274
Total capital accounts	390,158	114,199	219,775	817,350	572,832	126,751	82,608	2,616,446	690,503	488,946
Number of building employees, December 31:										
Officers	4	...	....	13	17	4	1	20	11	14
Other employees	305	48	272	664	515	85	65	2,141	1,029	780
Number of banks, December 31	63	19	14	456	417	7	26	1,069	411	661

Table 118. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1968—CONTINUED

(AMOUNTS IN THOUSANDS OF DOLLARS)

Income item	Kansas	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri
Current operating revenue—total	**250,908**	**245,094**	**319,731**	**70,999**	**266,351**	**635,561**	**1,118,732**	**482,607**	**159,013**	**591,798**
Interest on U.S. Government obligations	48,741	45,742	57,017	6,359	37,584	55,161	139,526	69,225	21,086	98,122
Interest and dividends on other securities	25,487	22,687	29,397	6,724	20,127	54,035	109,069	48,317	16,965	64,736
Interest and discount on loans	151,771	150,654	196,438	48,752	173,689	415,971	758,039	298,767	99,973	368,363
Service charges and fees on loans	1,472	3,678	3,566	730	5,298	7,260	20,970	5,092	742	4,827
Service charges on deposit accounts	13,677	8,569	16,635	3,893	17,272	31,230	36,702	22,258	9,282	20,160
Other charges, commissions, fees, etc.	4,572	3,111	9,544	771	4,257	18,660	15,557	20,273	5,788	8,848
Trust department	2,490	7,601	2,215	2,660	5,135	35,957	26,541	12,360	1,278	14,223
Other current operating revenue	2,698	3,052	4,919	1,110	2,989	17,287	12,328	6,315	3,899	12,519
Current operating expenses—total	**179,372**	**177,562**	**238,399**	**56,157**	**191,799**	**463,198**	**912,146**	**380,233**	**117,243**	**431,112**
Salaries—officers	30,094	22,971	25,742	6,130	17,614	45,525	58,311	45,063	15,934	47,612
Salaries and wages—other employees	23,845	28,927	39,240	10,901	41,071	100,564	141,343	48,216	19,760	67,569
Officer and employee benefits	6,127	6,596	8,411	2,383	7,793	24,059	28,954	12,959	4,835	13,730
Fees paid to directors and committees	2,049	1,889	2,889	507	1,323	1,883	3,297	2,913	1,412	3,595
Interest on time and savings deposits	76,670	72,020	92,210	20,526	68,431	148,009	497,507	184,756	39,702	192,795
Interest on borrowed money	896	1,460	4,130	948	3,595	26,445	22,823	10,933	1,432	11,604
Occupancy expense of bank premises—net	7,986	8,657	13,462	3,331	12,877	29,314	40,035	14,485	5,075	18,180
Furniture and equipment	6,420	6,885	9,406	2,433	8,626	18,881	23,472	13,413	6,085	14,747
Other current operating expenses	25,285	28,157	42,909	8,998	30,469	68,518	96,404	47,495	23,008	61,280
Net current operating earnings	**71,536**	**67,532**	**81,332**	**14,842**	**74,552**	**172,363**	**206,586**	**102,374**	**41,770**	**160,686**
Recoveries, transfers from valuation reserves, and profits—total	**2,993**	**4,136**	**6,148**	**852**	**8,427**	**8,222**	**7,042**	**4,893**	**3,632**	**11,435**
On securities:										
Profits on securities sold or redeemed	930	1,273	2,600	347	687	587	3,175	1,558	517	4,183
Recoveries	27	67	37	21	84	54	67	184	487	71
Transfers from valuation reserves	473	345	591	15	1,491	266	402	221	586	691
On loans:										
Recoveries	569	245	283	34	151	49	149	573	312	408
Transfers from valuation reserves	249	143	440	23	2,496	3,380	495	288	851	3,306
All other	745	2,063	2,197	412	3,518	3,886	2,754	2,069	779	2,776
Losses, charge-offs, and transfers to valuation reserves—total	**13,887**	**14,804**	**20,633**	**3,483**	**16,269**	**55,123**	**62,950**	**28,124**	**14,940**	**36,420**
On securities:										
Losses on securities sold	2,117	1,242	1,349	1,416	2,369	16,642	26,034	7,288	1,156	8,791
Charge-offs prior to sale	412	367	406	29	52	34	216	938	819	300
Transfers to valuation reserves	174	1,018	1,432	15	888	1,109	12	80	2,192	1,284
On loans:										
Losses and charge-offs	1,253	294	622	3	458	152	306	515	591	653
Transfers to valuation reserves	8,233	9,153	13,499	1,353	10,031	29,141	32,005	15,431	7,866	21,469
All other	1,698	2,730	3,325	667	2,471	8,045	4,377	3,872	2,316	3,923
Net income before related taxes	**60,642**	**56,864**	**66,847**	**12,211**	**66,710**	**125,462**	**150,678**	**79,143**	**30,362**	**135,701**

Taxes on net income—total	17,161	17,284	19,173	2,123	22,750	41,475	25,478	24,335	7,906	43,901
Federal	15,723	17,284	19,173	2,123	21,814	30,182	18,637	15,624	7,906	41,005
State	1,438	......	......	......	936	11,293	6,841	8,711	......	2,896
Net income after related taxes	43,481	39,580	47,674	10,088	43,960	83,987	125,200	54,808	22,456	91,800
Dividends and interest on capital—total	12,884	13,290	15,521	4,764	16,352	43,870	54,750	23,283	9,663	39,541
Cash dividends declared on common stock	12,559	13,098	14,930	4,686	15,735	43,708	49,882	23,031	9,353	37,923
Dividends declared on preferred stock and interest on capital notes and debentures	325	192	591	78	617	162	4,868	252	310	1,618
Net additions to capital from income	30,597	26,290	32,153	5,324	27,608	40,117	70,450	31,525	12,793	52,259
Number of banking employees (exclusive of building employees), December 31:										
Active officers	2,841	2,391	2,134	558	1,540	3,480	4,266	4,086	1,490	4,211
Other employees	5,887	7,228	9,030	2,602	9,334	21,063	29,402	11,694	4,643	16,156
Memoranda										
Recoveries credited to valuation reserves (not included in recoveries above):										
On securities	27	29	45	....	1	74	.....	1	2	81
On loans	2,809	1,716	3,242	758	1,086	5,023	9,154	3,132	1,553	3,455
Losses charged to valuation reserves (not included in losses above):										
On securities	101	147	50	123	156	1,570	20	.....	222	220
On loans	7,210	5,702	9,631	1,562	6,236	17,338	17,597	6,267	6,131	10,336
Occupancy expense of bank premises										
Occupancy expense, net—total	7,986	8,657	13,462	3,331	12,877	29,314	40,035	14,485	5,075	18,180
Rental and other income	1,437	1,447	2,879	599	1,438	3,909	5,950	5,473	2,097	2,198
Occupancy expense, gross—total	9,423	10,104	16,341	3,930	14,315	33,223	45,985	19,958	7,172	20,378
Salaries—building department officers	72	22	39	12	30	210	197	34	14	89
Salaries and wages—building department employees	1,037	1,516	1,760	543	777	2,855	5,756	1,561	698	2,664
Building department personnel benefits	56	129	158	49	135	480	750	98	69	321
Recurring depreciation	1,866	1,770	2,388	762	2,670	4,435	8,401	2,903	1,297	4,542
Maintenance and repairs	1,263	1,452	1,906	431	2,233	3,413	7,244	2,381	1,090	2,564
Insurance and utilities	1,925	1,868	3,201	626	2,415	5,836	7,754	4,006	1,489	3,976
Rents paid	1,886	2,103	4,172	960	4,681	10,733	9,581	5,963	989	4,284
Taxes	1,318	1,244	2,717	547	1,374	5,261	6,302	3,012	1,526	1,938
Average assets and liabilities[1]										
Total assets	4,616,003	4,762,785	5,992,213	1,173,276	4,802,821	11,048,768	19,934,253	8,647,826	2,827,216	11,453,137
Total deposits	4,158,928	4,308,333	5,378,202	1,024,964	4,269,267	9,328,339	18,081,662	7,736,344	2,528,151	10,180,182
Total capital accounts	409,422	383,670	479,257	100,735	376,379	880,721	1,239,090	601,519	215,484	919,141
Number of building employees, December 31:										
Officers	9	5	14	1	2	17	17	11	2	11
Other employees	481	582	536	238	310	772	2,816	710	278	910
Number of banks, December 31	600	341	228	40	121	153	336	720	185	659

Table 118. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1968—CONTINUED
(AMOUNTS IN THOUSANDS OF DOLLARS)

Income item	Montana	Nebraska	Nevada	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio
Current operating revenue-total	**84,935**	**176,665**	**60,893**	**51,254**	**742,741**	**74,579**	**4,752,270**	**389,101**	**72,743**	**1,120,609**
Interest on U.S. Government obligations	13,790	26,214	7,711	5,568	83,317	10,688	376,256	36,630	13,913	167,142
Interest and dividends on other securities	7,314	14,870	4,853	3,176	92,779	5,637	400,427	43,051	8,093	125,519
Interest and discount on loans	53,397	115,593	39,194	36,622	481,031	48,421	3,277,209	244,027	42,470	708,114
Service charges and fees on loans	1,168	848	1,891	443	9,832	671	66,268	18,135	491	11,459
Service charges on deposit accounts	5,300	8,131	3,780	3,213	36,344	5,254	108,097	17,443	3,225	44,266
Other charges, commissions, fees, etc.	2,286	4,912	887	717	10,079	1,919	71,535	13,389	3,445	14,794
Trust department	809	3,352	1,454	790	21,692	914	293,400	10,518	534	36,919
Other current operating revenue	871	2,745	1,123	725	7,667	1,075	159,078	5,908	572	12,396
Current operating expenses—total	**67,068**	**130,699**	**45,912**	**38,407**	**568,364**	**58,843**	**3,489,015**	**305,370**	**57,830**	**834,146**
Salaries—officers	9,352	22,668	5,028	4,469	50,800	7,779	237,210	35,186	8,348	70,094
Salaries and wages—other employees	8,611	17,637	7,862	6,312	103,043	10,203	640,575	57,044	6,180	132,690
Officer and employee benefits	2,769	5,072	1,402	1,538	24,443	1,944	157,033	12,812	1,991	26,856
Fees paid to directors and committees	550	1,414	135	427	4,663	506	6,381	1,210	630	4,078
Interest on time and savings deposits	28,293	51,465	19,045	15,735	250,048	21,177	1,572,081	122,469	29,668	398,085
Interest on borrowed money	748	1,240	371	175	3,667	475	184,883	7,023	154	15,314
Occupancy expense of bank premises—net	2,966	5,472	3,016	2,067	33,003	3,200	187,549	15,415	2,208	34,962
Furniture and equipment	2,255	5,739	1,923	1,392	20,279	2,699	83,564	11,929	1,507	24,302
Other current operating expenses	11,524	19,992	7,130	6,292	78,418	10,860	419,739	42,282	7,144	127,765
Net current operating earnings	**17,867**	**45,966**	**14,981**	**12,847**	**174,377**	**15,736**	**1,263,255**	**83,731**	**14,913**	**286,463**
Recoveries, transfers from valuation reserves, and profits—total	**1,625**	**2,990**	**718**	**1,221**	**9,252**	**881**	**40,834**	**8,527**	**714**	**26,105**
On securities:										
Profits on securities sold or redeemed	262	579	107	684	4,889	269	13,896	831	331	6,584
Recoveries	121	19	.....	12	163	3	614	22	36	262
Transfers from valuation reserves	361	1,232	38	57	600	51	1,771	194		9,708
On loans:										
Recoveries	190	242	....	13	170	68	422	50	66	427
Transfers from valuation reserves	188	302	40	5	1,327	45	7,862	1,950	131	5,524
All other	503	616	533	450	2,103	445	16,269	5,480	150	3,600
Losses, charge-offs, and transfers to valuation reserves—total	**4,317**	**10,277**	**8,388**	**3,013**	**37,675**	**3,698**	**389,029**	**27,178**	**3,020**	**81,589**
On securities:										
Losses on securities sold	1,050	2,585	2,662	482	10,435	429	188,538	9,538	922	28,762
Charge-offs prior to sale	179	183	....	13	1,010	24	593	38	88	999
Transfers to valuation reserves	357	169		7	510	30	957	1,393	1	6,833
On loans:										
Losses and charge-offs	282	193	.....	5	291	178	572	117	50	2,590
Transfers to valuation reserves	1,907	6,182	4,655	1,791	20,943	2,440	181,108	12,300	1,619	37,841
All other	542	965	1,071	715	4,486	597	17,261	3,792	340	4,564
Net income before related taxes	**15,175**	**38,679**	**7,311**	**11,055**	**145,954**	**12,919**	**915,060**	**65,080**	**12,607**	**230,979**

Taxes on net income—total	4,319	11,693	1,790	3,245	30,060	3,095	264,947	14,588	3,115	53,731
Federal	4,298	11,693	1,790	3,245	30,060	3,095	184,376	12,963	2,721	53,731
State	21	......	......	......	......	......	80,571	1,625	394	......
Net income after related taxes	10,856	26,986	5,521	7,810	115,894	9,824	650,113	50,492	9,492	177,248
Dividends and interest on capital—total	5,430	10,224	3,429	2,564	49,084	3,912	387,614	20,936	4,009	70,138
Cash dividends declared on common stock	5,421	10,050	3,429	2,564	46,587	3,771	339,626	19,459	3,986	68,587
Dividends declared on preferred stock and interest on capital notes and debentures	9	174		......	2,497	141	47,988	1,477	23	1,551
Net additions to capital from income	5,426	16,762	2,092	5,246	66,810	5,912	262,499	29,556	5,483	107,110
Number of banking employees (exclusive of building employees), December 31:										
Active officers	822	2,090	470	401	4,043	703	14,496	3,148	805	5,558
Other employees	2,035	4,413	1,802	1,537	22,301	2,469	108,880	14,046	1,615	29,096
Memoranda										
Recoveries credited to valuation reserves (not included in recoveries above):										
On securities	.....	5	.....	.....	1	.....	399	234	....	54
On loans	468	1,617	1,035	469	4,279	1,355	44,524	986	288	7,240
Losses charged to valuation reserves (not included in losses above):										
On securities	.....	16	.....	.....	718	.....	1,238	434	.....	4,958
On loans	1,591	3,848	4,999	1,039	14,206	3,664	95,898	4,586	1,201	21,338
Occupancy expense of bank premises										
Occupancy expense, net—total	2,966	5,472	3,016	2,067	33,003	3,200	187,549	15,415	2,208	34,962
Rental and other income	685	1,355	975	237	3,536	669	33,592	2,140	485	14,202
Occupancy expense, gross—total	3,651	6,827	3,991	2,304	36,539	3,869	221,141	17,555	2,693	49,164
Salaries—building department officers		40	25		74	2	733	46	10	272
Salaries and wages—building department employees	455	851	350	240	3,475	489	15,816	1,584	326	6,853
Building department personnel benefits	45	85	4	15	516	65	2,719	153	23	664
Recurring depreciation	763	993	827	416	6,297	785	40,562	3,101	551	8,818
Maintenance and repairs	394	842	360	239	5,928	447	20,633	1,896	221	7,100
Insurance and utilities	623	1,253	770	349	5,685	582	36,648	3,157	640	8,103
Rents paid	521	1,882	1,088	591	7,111	1,132	70,986	5,097	501	13,315
Taxes	850	881	572	454	7,453	367	33,044	1,711	421	4,039
Average assets and liabilities[1]										
Total assets	1,460,283	3,203,456	991,983	858,104	13,839,670	1,263,401	96,303,238	6,634,273	1,284,192	21,383,392
Total deposits	1,315,067	2,870,147	887,647	745,606	12,376,814	1,140,859	78,244,217	5,764,709	1,167,469	19,058,393
Total capital accounts	103,306	270,562	72,028	76,189	1,023,872	95,437	7,363,087	493,155	95,624	1,680,253
Number of building employees, December 31:										
Officers	....	6	3	1	5	....	55	5	5	22
Other employees	183	434	81	99	926	91	3,058	687	177	2,049
Number of banks, December 31	134	435	9	74	226	63	296	120	166	524

Table 118. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1968—CONTINUED

(AMOUNTS IN THOUSANDS OF DOLLARS)

Income item	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee	Texas	Utah	Vermont
Current operating revenue—total	**272,924**	**229,592**	**1,525,241**	**101,163**	**119,426**	**79,841**	**356,674**	**1,266,113**	**105,445**	**44,699**
Interest on U.S. Government obligations	41,741	22,953	164,400	8,217	15,022	15,798	47,855	148,727	11,118	4,614
Interest and dividends on other securities	24,971	19,560	152,257	9,885	11,052	6,242	32,588	120,906	9,054	3,506
Interest and discount on loans	174,850	153,137	1,030,967	68,317	76,823	48,564	238,248	852,287	68,963	32,363
Service charges and fees on loans	2,742	4,753	18,216	784	1,353	355	5,748	16,407	2,819	531
Service charges on deposit accounts	15,747	17,443	40,826	3,867	7,705	3,926	13,385	62,322	6,972	2,134
Other charges, commissions, fees, etc.	4,644	3,674	16,897	1,130	4,086	3,236	8,501	20,366	3,659	342
Trust department	4,421	4,928	75,947	6,839	2,201	696	6,997	26,425	2,188	778
Other current operating revenue	3,808	3,144	25,731	2,124	1,184	1,024	3,252	18,673	672	431
Current operating expenses—total	**202,679**	**187,125**	**1,145,183**	**75,104**	**85,652**	**60,853**	**269,203**	**938,333**	**81,017**	**35,880**
Salaries—officers	30,095	21,439	95,494	5,532	13,733	10,251	28,201	109,609	7,824	3,485
Salaries and wages—other employees	30,019	30,983	186,191	12,837	20,342	7,365	45,576	135,477	12,289	5,471
Officer and employee benefits	7,444	6,765	47,984	4,208	4,414	2,484	10,075	30,239	2,553	1,206
Fees paid to directors and committees	1,805	366	6,982	295	795	722	1,524	8,603	492	419
Interest on time and savings deposits	84,202	89,483	534,954	35,803	20,861	27,685	106,522	391,551	38,516	18,485
Interest on borrowed money	2,423	2,302	28,532	1,639	665	122	12,155	29,503	2,311	107
Occupancy expense of bank premises—net	9,549	9,478	55,073	3,707	4,700	2,654	12,956	44,988	3,324	1,647
Furniture and equipment	7,611	6,061	38,869	2,473	4,496	2,028	10,655	33,859	2,946	1,026
Other current operating expenses	29,531	20,248	151,104	8,610	15,646	7,542	41,539	154,504	10,762	4,034
Net current operating earnings	**70,245**	**42,467**	**380,058**	**26,059**	**33,774**	**18,988**	**87,371**	**327,780**	**24,428**	**8,819**
Recoveries, transfers from valuation reserves, and profits—total	**3,134**	**981**	**13,928**	**995**	**1,158**	**639**	**10,443**	**15,334**	**888**	**781**
On securities:										
Profits on securities sold or redeemed	1,717	361	5,169	104	574	226	6,030	3,270	366	366
Recoveries	62		25	....	1	1	3	78	18	1
Transfers from valuation reserves			1,558	15	107	..	775	2,105	....	..
On loans:										
Recoveries	783	31	267	1	52	48	260	2,594	18	22
Transfers from valuation reserves	171	......	1,134	765	66	21	2,030	1,852	17	19
All other	401	589	5,775	110	358	343	1,345	5,435	469	373
Losses, charge-offs, and transfers to valuation reserves—total	**15,508**	**13,738**	**99,127**	**9,284**	**6,049**	**3,684**	**21,983**	**82,284**	**5,578**	**2,046**
On securities:										
Losses on securities sold	1,936	5,233	31,225	5,115	720	906	4,426	6,598	1,306	415
Charge-offs prior to sale	70	5	332	..	29	30	778	391	63	13
Transfers to valuation reserves	399	...	2,194		176		702	6,410	....	3
On loans:										
Losses and charge-offs	1,366	49	528	.....	60	117	396	5,407	47	52
Transfers to valuation reserves	10,553	6,904	52,016	3,642	3,627	1,738	12,481	55,058	3,535	1,342
All other	1,184	1,547	12,832	527	1,437	893	3,200	8,420	627	221
Net income before related taxes	**57,871**	**29,710**	**294,859**	**17,770**	**28,883**	**15,943**	**75,831**	**260,830**	**19,738**	**7,554**

Taxes on net income—total	15,085	6,862	72,377	4,508	10,036	5,493	20,917	75,341	5,802	1,832
Federal	13,445	4,155	72,377	3,318	9,209	5,071	20,279	75,341	5,292	1,639
State	1,640	2,697	......	1,190	827	422	638	......	510	193
Net income after related taxes	42,786	22,858	222,482	13,262	18,847	10,450	54,914	185,489	13,936	5,722
Dividends and interest on capital—total	17,155	11,726	117,143	7,869	7,773	4,832	18,573	86,401	7,036	2,141
Cash dividends declared on common stock	16,607	11,652	111,405	7,869	7,732	4,814	17,605	83,292	6,867	2,040
Dividends declared on preferred stock and interest on capital notes and debentures	548	74	5,738	..	41	18	968	3,109	169	101
Net additions to capital from income	25,631	11,132	105,339	5,393	11,074	5,618	36,341	99,088	6,900	3,581
Number of banking employees (exclusive of building employees) December 31:										
Active officers	2,721	2,065	8,055	477	1,262	977	2,737	9,881	740	347
Other employees	7,239	6,657	40,347	3,059	5,123	1,896	10,996	30,492	3,224	1,379
Memoranda										
Recoveries credited to valuation reserves (not included in recoveries above):										
On securities	15	......	7	5	.....	.....	3	388	.....	.....
On loans	4,503	1,439	8,599	447	484	643	2,509	18,127	365	200
Losses charged to valuation reserves (not included in losses above):										
On securities	105	......	35	2	.....	9	20	3,070	......	......
On loans	10,558	3,932	34,753	2,766	1,626	1,675	9,117	48,675	1,661	536
Occupancy expense of bank premises										
Occupancy expense, net—total	9,549	9,478	55,073	3,707	4,700	2,654	12,956	44,988	3,324	1,647
Rental and other income	3,961	382	7,322	1,764	355	531	3,466	36,656	1,576	174
Occupancy expense, gross—total	13,510	9,860	62,395	5,471	5,055	3,185	16,422	81,644	4,900	1,821
Salaries—building department officers	46	103	291	74	1	5	63	231	12	...
Salaries and wages—building department employees	1,545	812	9,184	1,214	433	393	2,080	8,270	629	269
Building department personnel benefits	174	111	1,317	244	59	38	214	820	42	27
Recurring depreciation	2,372	2,433	11,592	784	1,091	460	3,638	16,287	1,040	291
Maintenance and repairs	1,404	1,716	7,261	558	749	351	1,794	10,130	500	187
Insurance and utilities	2,486	1,715	9,732	606	1,107	673	2,965	14,015	688	282
Rents paid	4,512	1,489	15,931	1,123	1,301	660	3,062	14,367	1,471	534
Taxes	971	1,481	7,087	868	314	605	2,606	17,524	518	231
Average assets and liabilities[1]										
Total assets	5,132,786	3,908,036	28,068,075	1,672,620	2,076,380	1,374,871	6,796,975	24,326,008	1,779,062	773,396
Total deposits	4,582,252	3,525,771	24,487,669	1,463,394	1,830,701	1,248,121	5,921,581	21,575,325	1,589,808	699,169
Total capital accounts	437,586	250,215	2,367,722	136,551	174,549	106,354	534,447	1,881,077	131,272	58,302
Number of building employees, December 31:										
Officers	10	8	29	5	4	5	9	25	1	....
Other employees	558	207	2,719	302	208	227	659	2,341	227	122
Number of banks, December 31	423	48	500	11	117	164	299	1,142	54	44

Table 118. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1968—CONTINUED
(AMOUNTS IN THOUSANDS OF DOLLARS)

Income item	Virginia	Washington	West Virginia	Wisconsin	Wyoming
Current operating revenue—total	**424,766**	**336,038**	**132,611**	**469,291**	**41,457**
Interest on U.S. Government obligations	51,297	30,553	27,746	84,342	6,701
Interest and dividends on other securities	36,735	26,530	12,051	41,244	2,599
Interest and discount on loans	281,621	222,398	81,145	297,015	27,584
Service charges and fees on loans	10,783	7,379	1,626	4,174	423
Service charges on deposit accounts	20,748	25,879	3,631	15,692	2,229
Other charges, commissions, fees, etc.	8,163	9,537	1,893	8,860	1,014
Trust department	10,672	9,381	2,795	10,188	302
Other current operating revenue	4,747	4,381	1,724	7,776	605
Current operating expenses—total	**329,358**	**262,388**	**93,802**	**375,814**	**32,076**
Salaries—officers	32,888	28,141	11,378	42,373	4,436
Salaries and wages—other employees	53,072	55,248	14,974	49,474	4,424
Officer and employee benefits	12,500	11,708	3,023	12,874	971
Fees paid to directors and committees	2,439	603	1,218	3,592	491
Interest on time and savings deposits	148,528	103,262	40,450	188,608	14,253
Interest on borrowed money	3,407	3,473	556	3,287	243
Occupancy expense of bank premises—net	16,376	14,210	4,377	16,253	1,624
Furniture and equipment	10,804	10,178	2,975	14,625	1,181
Other current operating expenses	49,344	35,565	14,851	44,728	4,453
Net current operating earnings	**95,408**	**73,650**	**38,809**	**93,477**	**9,381**
Recoveries, transfers from valuation reserves, and profits—total	**6,833**	**8,050**	**8,938**	**5,210**	**1,022**
On securities:					
Profits on securities sold or redeemed	903	1,391	1,048	2,549	155
Recoveries	54	34	251	112	10
Transfers from valuation reserves	4,723	664	1,053	60	374
On loans:					
Recoveries	118	81	150	91	187
Transfers from valuation reserves	155	4,866	3,625	662	9
All other	880	1,014	2,811	1,736	287
Losses, charge-offs, and transfers to valuation reserves—total	**32,936**	**22,276**	**10,804**	**15,951**	**2,227**
On securities:					
Losses on securities sold	10,602	7,048	1,198	4,155	310
Charge-offs prior to sale	51	297	40	173	13
Transfers to valuation reserves	2,546	270	48	10	98
On loans:					
Losses and charge-offs	500	111	264	164	250
Transfers to valuation reserves	16,174	11,625	4,964	9,534	1,363
All other	3,063	2,925	4,290	1,915	193
Net income before related taxes	**69,305**	**59,424**	**36,943**	**82,736**	**8,176**

Taxes on net income—total	**14,159**	**15,266**	**10,987**	**21,864**	**2,376**
Federal	14,159	15,266	10,987	16,781	2,376
State	......	......	......	5,083	......
Net income after related taxes	**55,146**	**44,158**	**25,956**	**60,872**	**5,800**
Dividends and interest on capital—total	**26,055**	**15,002**	**7,532**	**22,866**	**2,312**
Cash dividends declared on common stock	25,872	14,837	7,509	22,061	2,232
Dividends declared on preferred stock and interest on capital notes and debentures	183	165	23	805	80
Net additions to capital from income	**29,091**	**29,156**	**18,424**	**38,006**	**3,488**
Number of banking employees (exclusive of building employees), December 31:					
Active officers	3,102	2,414	1,107	3,615	387
Other employees	13,167	11,361	3,549	12,108	1,012
Memoranda					
Recoveries credited to valuation reserves (not included in recoveries above):					
On securities	183	.....	12	.....	.....
On loans	2,743	1,494	986	3,657	537
Losses charged to valuation reserves (not included in losses above):					
On securities	4,416	16	126	11	.....
On loans	8,867	4,196	2,933	5,845	1,354
Occupancy expense of bank premises					
Occupancy expense, net—total	**16,376**	**14,210**	**4,377**	**16,253**	**1,624**
Rental and other income	1,928	1,468	929	3,070	272
Occupancy expense, gross—total	**18,304**	**15,678**	**5,306**	**19,323**	**1,896**
Salaries—building department officers	9	136	16	76	9
Salaries and wages—building department employees	2,224	1,029	894	2,246	186
Building department personnel benefits	224	177	81	230	14
Recurring depreciation	3,025	4,077	1,122	3,697	457
Maintenance and repairs	1,616	3,342	768	1,973	203
Insurance and utilities	3,660	2,539	900	3,192	359
Rents paid	6,065	2,525	810	4,370	236
Taxes	1,481	1,853	715	3,539	432
Average assets and liabilities[1]					
Total assets	**7,168,451**	**5,424,368**	**2,520,682**	**8,830,722**	**726,645**
Total deposits	**6,412,260**	**4,834,949**	**2,212,595**	**8,001,305**	**651,221**
Total capital accounts	**535,517**	**379,665**	**239,471**	**629,248**	**60,494**
Number of building employees, December 31:					
Officers	2	11	2	14	2
Other employees	885	294	321	881	66
Number of banks, December 31	237	93	195	599	70

[1] Averages of amounts are for three call dates, at beginning, middle, and end of year.

Table 119. INCOME OF INSURED MUTUAL SAVINGS BANKS, 1960-1968

(Amounts in thousands of dollars)

Income item	1960	1961	1962	1963	1964	1965	1966	1967	1968
Current operating income—total	**1,461,763**	**1,595,183**	**1,755,582**	**1,946,776**	**2,164,115**	**2,391,753**	**2,606,012**	**2,884,789**	**3,238,735**
Interest on U.S. Government obligations	152,458	151,931	156,410	153,659	153,368	147,751	142,509	130,873	134,857
Interest and dividends on other securities	199,258	205,751	206,367	203,720	207,164	211,278	226,023	301,218	417,984
Interest and discount on real estate mortgage loans—net	1,070,173	1,194,282	1,342,896	1,534,446	1,738,621	1,950,930	2,141,099	2,326,459	2,538,502
Interest and discount on real estate mortgage loans—gross	*1,104,100*	*1,231,774*	*1,383,735*	*1,580,276*	*1,790,318*	*2,009,214*	*2,203,133*	*2,391,848*	*2,605,960*
Less: Mortgage servicing fees	*32,343*	*36,045*	*39,283*	*44,174*	*49,756*	*56,165*	*59,998*	*63,405*	*65,426*
Premium amortization	*1,584*	*1,447*	*1,556*	*1,656*	*1,941*	*2,119*	*2,036*	*1,984*	*2,032*
Interest and discount on other loans and discounts—net	18,407	18,767	22,733	27,576	33,538	41,773	53,172	67,925	83,807
Income on real estate other than bank building—net	27	-38	-52	-108	-122	-97	-255	-209	-415
Income on real estate other than bank building—gross	*397*	*379*	*302*	*296*	*421*	*541*	*513*	*767*	*1,664*
Less: Operating expense	*370*	*417*	*354*	*404*	*543*	*638*	*768*	*976*	*2,079*
Income on other assets	7,474	9,081	9,777	9,984	13,121	18,713	18,095	25,248	23,036
Income from service operations	13,966	15,409	17,451	17,499	18,425	21,405	25,369	33,275	40,964
Current operating expenses—total	**224,789**	**241,685**	**252,963**	**274,544**	**290,471**	**311,755**	**334,451**	**353,947**	**389,780**
Salaries—officers	36,608	38,158	40,466	42,792	45,391	48,514	52,085	55,510	60,161
Salaries and wages—other employees	71,295	75,303	79,165	84,514	89,514	93,680	98,421	105,612	115,146
Pension, hospitalization and group insurance payments, and other employee benefits	22,656	24,134	25,419	27,202	28,138	30,080	33,593	34,243	37,149
Fees paid to trustees and committee members	3,731	3,994	4,158	4,404	4,604	4,720	4,855	4,945	5,111
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net	25,255	27,369	29,269	32,160	34,683	37,219	38,855	42,412	47,184
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—gross	*35,120*	*37,298*	*39,297*	*42,583*	*45,871*	*49,093*	*51,387*	*55,631*	*61,405*
Less: Income from bank building	*9,865*	*9,929*	*10,028*	*10,423*	*11,188*	*11,874*	*12,532*	*13,219*	*14,221*
Deposit insurance assessments	11,707	12,824	12,172	12,709	14,035	15,887	16,810	17,712	19,571
Furniture and fixtures (including recurring depreciation)	4,740	5,438	5,997	7,714	9,182	10,262	11,777	13,799	16,414
All other current operating expenses	48,797	54,465	56,317	63,049	64,924	71,393	78,055	79,714	89,044
Net current operating income	**1,236,974**	**1,353,498**	**1,502,619**	**1,672,232**	**1,873,644**	**2,079,998**	**2,271,561**	**2,530,842**	**2,848,955**
Franchise and income taxes—total	**13,637**	**16,011**	**17,966**	**22,587**	**26,022**	**29,487**	**37,480**	**37,708**	**47,710**
State franchise and income taxes	13,190	15,277	17,502	19,168	21,657	22,048	31,426	33,737	39,281
Federal income taxes	447	734	464	3,419	4,365	7,439	6,054	3,971	8,429
Net current operating income after taxes	**1,223,337**	**1,337,487**	**1,484,653**	**1,649,645**	**1,847,622**	**2,050,511**	**2,234,081**	**2,493,134**	**2,801,245**
Dividends and interest on deposits	**1,073,542**	**1,147,767**	**1,334,005**	**1,481,869**	**1,653,768**	**1,809,350**	**2,087,072**	**2,395,762**	**2,612,638**
Net current operating income after taxes and dividends	**149,795**	**189,720**	**150,648**	**167,776**	**193,854**	**241,161**	**147,009**	**97,372**	**188,607**
Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions—total	**142,009**	**113,763**	**105,907**	**113,085**	**105,454**	**75,130**	**177,612**	**93,536**	**135,049**
Non-recurring income	31,133	17,567	20,453	28,678	18,048	15,242	20,211	20,377	29,394
Realized profits and recoveries on:									
Securities sold or matured	34,860	54,263	55,751	28,752	36,472	27,375	59,173	47,292	77,817
Real estate mortgage loans	283	629	739	2,465	1,088	1,266	773	705	1,351
Other real estate	535	337	462	807	571	719	1,548	2,059	2,286
All other assets	6,576	459	957	871	1,096	1,532	3,429	1,114	2,066
Transfers from valuation adjustment provisions[1] on:									
Securities	57,588	10,873	5,460	26,995	22,029	11,817	13,635	7,774	11,884
Real estate mortgage loans	10,480	29,068	21,465	24,342	25,786	16,365	78,458	13,435	9,583
Other real estate	86	36	66	46	92	121	20	64	56
All other assets	468	531	554	129	272	693	365	716	612

Non-recurring expenses, realized losses charged to profit and loss, and transfers to valuation adjustment provisions—total	**123,664**	**116,143**	**109,192**	**101,611**	**88,234**	**93,036**	**147,688**	**94,744**	**100,690**
Non-recurring expenses	16,981	17,692	18,941	17,331	12,991	15,306	10,499	12,458	12,693
Realized losses on:									
Securities sold	63,846	40,851	31,379	47,629	39,884	48,124	100,585	63,624	64,136
Real estate mortgage loans	508	1,252	1,083	1,681	2,023	3,037	7,015	4,891	4,488
Other real estate	210	375	662	656	712	886	1,644	1,850	1,609
All other assets	315	404	424	655	936	927	2,646	1,932	3,219
Transfers to valuation adjustment provisions[1] on:									
Securities	23,352	19,337	30,925	11,548	8,692	6,524	13,015	5,229	7,962
Real estate mortgage loans	17,679	35,377	25,252	21,534	22,266	17,394	11,590	3,796	5,558
Other real estate	19	111	76	74	57	122	97	127	189
All other assets	754	744	450	503	673	716	597	837	836
Net additions to total surplus accounts from operations	**168,140**	**187,340**	**147,363**	**179,250**	**211,074**	**223,255**	**176,933**	**96,164**	**222,966**
Memoranda									
Recoveries credited to valuation adjustment provisions[1] (not included in recoveries above) on:									
Securities	471	278	1,658	3,389	756	341	1,277	2,726	391
Real estate mortgage loans	136	53	48	201	64	85	212	231	183
Other real estate	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	1	2
All other assets	585	6	35	14	13	24	46	89	116
Realized losses charged to valuation adjustment provisions[1] (not included in realized losses above) on:									
Securities	8,110	7,721	5,830	12,973	6,058	6,564	6,811	2,172	2,835
Real estate mortgage loans	1,131	720	501	5,136	765	841	1,220	4,040	1,072
Other real estate	13	5	6	190	. . . .	118	257	204	186
All other assets	165	218	448	178	258	308	341	1,016	353
Average assets and liabilities[2]									
Assets—total	**34,339,564**	**35,916,590**	**38,152,221**	**41,180,616**	**44,609,410**	**48,466,656**	**51,399,898**	**55,173,023**	**59,674,026**
Cash and due from banks	721,308	757,912	794,362	786,298	768,719	891,727	838,855	953,843	825,767
United States Government obligations	5,092,512	4,791,909	4,748,691	4,563,328	4,351,966	4,030,731	3,594,830	3,156,304	3,049,815
Other securities	5,036,291	5,228,022	5,151,555	5,115,637	5,057,794	5,069,343	5,153,130	6,312,183	8,135,834
Real estate mortgage loans	22,628,058	24,255,437	26,435,337	29,538,513	33,121,502	36,991,670	40,095,486	42,794,592	45,445,434
Other loans and discounts	355,327	353,474	441,994	543,458	588,196	672,117	842,896	1,003,436	1,175,629
Other real estate	11,555	18,955	19,640	21,114	28,389	27,228	29,263	27,987	36,156
All other assets	494,513	510,881	560,642	612,268	692,844	783,840	845,438	924,678	1,005,391
Liabilities and surplus accounts—total	**34,339,564**	**35,916,590**	**38,152,221**	**41,180,616**	**44,609,410**	**48,466,656**	**51,399,898**	**55,173,023**	**59,674,026**
Total deposits	30,822,839	32,320,488	34,350,820	37,175,285	40,334,274	43,985,749	46,590,719	50,247,915	54,534,572
Savings and time deposits	*30,790,599*	*32,113,129*	*34,070,511*	*36,870,906*	*39,997,217*	*43,609,062*	*46,172,242*	*49,805,468*	*54,053,723*
Demand deposits	*32,240*	*207,359*	*280,309*	*304,379*	*337,057*	*376,687*	*418,477*	*442,447*	*480,849*
Other liabilities	598,011	506,744	537,630	588,622	660,037	653,614	764,445	730,825	793,930
Total surplus accounts	2,918,714	3,089,358	3,263,771	3,416,709	3,615,099	3,827,293	4,044,734	4,194,283	4,345,524
Number of active officers, December 31	2,885	2,977	3,085	3,170	3,281	3,423	3,602	3,708	3,899
Number of other employees, December 31	16,753	17,290	17,617	18,459	18,958	19,451	19,609	20,367	21,164
Number of banks, December 31	325	330	331	330	327	329	332	333	334

[1] Includes "Valuation reserves" and "Other asset valuation provisions (direct write-downs)."

[2] For 1960, averages of figures reported at beginning, middle, and end of year. For 1961 through 1968, averages of amounts for four consecutive official call dates beginning with the end of the previous year and ending with the fall call of the current year.

Table 120. RATIOS OF INCOME OF INSURED MUTUAL SAVINGS BANKS, 1960-1968

Income item	1960	1961	1962	1963	1964	1965	1966	1967	1968
Amounts per $100 of current operating income									
Current operating income—total	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00
Interest on U.S. Government obligations	10.43	9.52	8.91	7.89	7.09	6.18	5.47	4.54	4.16
Interest and dividends on other securities	13.63	12.90	11.76	10.46	9.57	9.83	8.67	10.44	12.90
Interest and discount on real estate mortgage loans—net	73.21	74.87	76.49	78.82	80.34	81.57	82.16	80.65	78.38
Interest and discount on other loans and discounts—net	1.25	1.18	1.29	1.42	1.55	1.75	2.04	2.35	2.59
Income on other assets	.51	.57	.56	.51	.60	.78	.69	.87	.71
Income from service operations	.96	.96	.99	.90	.85	.89	.97	1.15	1.26
Current operating expenses—total	**15.38**	**15.15**	**14.41**	**14.10**	**13.42**	**13.03**	**12.83**	**12.27**	**12.04**
Salaries—officers	2.50	2.39	2.30	2.20	2.10	2.03	2.00	1.93	1.86
Salaries and wages—other employees	4.88	4.72	4.51	4.34	4.14	3.92	3.78	3.66	3.55
Pension, hospitalization and group insurance payments, and other employee benefits	1.55	1.51	1.45	1.40	1.30	1.26	1.29	1.19	1.15
Fees paid to trustees and committee members	.26	.25	.24	.23	.21	.20	.19	.17	.16
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net	1.73	1.72	1.67	1.65	1.60	1.55	1.49	1.47	1.46
Deposit insurance assessments	.80	.80	.69	.65	.65	.66	.64	.61	.60
Furniture and fixtures (including recurring depreciation)	.32	.34	.34	.39	.42	.43	.45	.48	.51
All other current operating expenses	3.34	3.42	3.21	3.24	3.00	2.98	2.99	2.76	2.75
Net current operating income	**84.62**	**84.85**	**85.59**	**85.90**	**85.58**	**86.97**	**87.17**	**87.73**	**87.96**
Franchise and income taxes—total	**.93**	**1.00**	**1.02**	**1.16**	**1.20**	**1.24**	**1.44**	**1.31**	**1.47**
State franchise and income taxes	.90	.96	1.00	.98	1.00	.93	1.21	1.17	1.21
Federal income taxes	.03	.04	.02	.18	.20	.31	.23	.14	.26
Net current operating income after taxes	**83.69**	**83.85**	**84.57**	**84.74**	**85.38**	**85.73**	**85.73**	**86.42**	**86.49**
Dividends and interest on deposits	**73.44**	**71.95**	**75.99**	**76.12**	**76.42**	**75.65**	**80.09**	**83.04**	**80.67**
Net current operating income after taxes and dividends	**10.25**	**11.90**	**8.58**	**8.62**	**8.96**	**10.08**	**5.64**	**3.38**	**5.82**
Amounts per $100 of total assets									
Current operating income—total	4.26	4.44	4.60	4.73	4.85	4.93	5.07	5.23	5.42
Current operating expenses—total	.66	.67	.66	.67	.65	.64	.65	.64	.65
Net current operating income	3.60	3.77	3.94	4.06	4.20	4.29	4.42	4.39	4.77
State franchise and income taxes	.04	.05	.05	.05	.06	.06	.07	.07	.08
Net current operating income after taxes	3.56	3.72	3.89	4.01	4.14	4.23	4.35	4.52	4.69
Dividends and interest on deposits	3.12	3.19	3.50	3.60	3.71	3.73	4.06	4.34	4.37
Net current operating income after taxes and dividends	.44	.53	.39	.41	.43	.50	.29	.18	.32
Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions—total	.41	.31	.28	.27	.24	.15	.34	.16	.22
Non-recurring expenses, realized losses charged to profit and loss, and transfers to valuation adjustment provisions—total	.36	.32	.28	.24	.20	.19	.29	.17	.17
Net additions to total surplus accounts from operations	.49	.52	.39	.44	.47	.46	.34	.17	.37
Special ratios									
Interest on U.S. Government obligations per $100 of U.S. Government obligations	2.99	3.17	3.29	3.37	3.52	3.67	3.96	4.15	4.42
Interest and dividends on other securities per $100 of other securities	3.96	3.94	4.01	3.98	4.10	4.17	4.39	4.77	5.14
Interest and discount on real estate mortgage loans per $100 of real estate mortgage loans	4.73	4.92	5.08	5.19	5.25	5.27	5.34	5.44	5.59
Interest and discount on other loans and discounts per $100 of other loans and discounts	5.18	5.31	5.14	5.07	5.70	6.22	6.31	6.77	7.13
Dividends and interest on deposits per $100 of savings and time deposits	3.49	3.57	3.92	4.02	4.13	4.15	4.52	4.81	4.83
Net additions to total surplus accounts from operations per $100 of total surplus accounts	5.76	6.06	4.52	5.25	5.84	5.83	4.37	2.29	5.13
Number of banks, December 31	325	330	331	330	327	329	332	333	334

Note: For footnotes to this Table, see Table No. 119, p. 221.

Table 121. SOURCES AND DISPOSITION OF TOTAL INCOME, INSURED MUTUAL SAVINGS BANKS, 1960-1968

(Amounts in millions of dollars)

Income item	1960	1961	1962	1963	1964	1965	1966	1967	1968
Amount									
Total income	**1,604**	**1,709**	**1,861**	**2,060**	**2,270**	**2,467**	**2,783**	**2,978**	**3,374**
Sources									
Loans	1,089	1,213	1,366	1,562	1,772	1,993	2,194	2,394	2,622
U.S. Government obligations	153	152	156	154	153	148	143	131	135
Other securities	199	206	206	204	207	211	226	301	418
Other current income	21	24	27	27	32	40	43	58	64
Non-recurring income, recoveries, etc.	142	114	106	113	105	75	177	94	135
Disposition									
Salaries and wages[1]	134	142	149	159	168	177	189	200	218
Dividends and interest on deposits	1,073	1,148	1,334	1,482	1,654	1,809	2,087	2,396	2,613
Other current expenses	91	100	104	115	122	135	146	154	172
Non-recurring expenses, losses, etc.	124	116	109	102	88	93	148	95	101
Income taxes	14	16	18	23	26	29	37	37	48
Additions to capital accounts	168	187	147	179	211	223	177	96	223
Percentage distribution									
Total income	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Sources									
Loans	67.9	71.0	73.3	75.8	78.1	80.8	78.8	80.4	77.7
U.S. Government obligations	9.5	8.9	8.4	7.5	6.8	6.0	5.1	4.4	4.0
Other securities	12.4	12.0	11.1	9.9	9.1	8.6	8.1	10.1	12.4
Other current income	1.3	1.4	1.5	1.3	1.4	1.6	1.6	1.9	1.9
Non-recurring income, recoveries, etc.	8.9	6.7	5.7	5.5	4.6	3.0	6.4	3.2	4.0
Disposition									
Salaries and wages[1]	8.3	8.3	8.0	7.7	7.4	7.2	6.8	6.7	6.5
Dividends and interest on deposits	66.9	67.1	71.6	71.9	72.9	73.3	75.0	80.5	77.4
Other current expenses	5.7	5.9	5.6	5.6	5.4	5.5	5.2	5.2	5.1
Non-recurring expenses, etc.	7.7	6.8	5.9	5.0	3.9	3.8	5.3	3.2	3.0
Income taxes	.9	1.0	1.0	1.1	1.1	1.2	1.3	1.2	1.4
Additions to capital accounts	10.5	10.9	7.9	8.7	9.3	9.0	6.4	3.2	6.6

[1] Includes pension, hospitalization and other employee benefits and fees paid to trustees and committee members.

Note: Due to rounding differences, components may not add to totals.

Table 122. INCOME OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES, BY STATE, 1968

(Amounts in thousands of dollars)

Income item	All States and other areas	Connecticut	Indiana	Maine	Maryland	Massachusetts	New Hampshire
Current operating income—total	**3,238,735**	**266,099**	**5,740**	**44,165**	**46,375**	**101,385**	**62,958**
Interest on U.S. Government obligations	134,857	11,015	1,256	4,037	4,617	10,835	4,236
Interest and dividends on other securities	417,984	34,837	451	7,454	5,152	12,119	6,993
Interest and discount on real estate mortgage loans—net	2,538,502	204,526	3,721	30,296	27,588	75,621	45,498
Interest and discount on real estate mortgage loans—gross	2,605,960	206,986	3,734	30,745	27,679	77,482	46,169
Less: Mortgage servicing fees	65,426	2,416	13	449	88	1,499	644
Premium amortization	2,032	44			3	362	27
Interest and discount on other loans and discounts—net	83,807	12,012	117	1,964	5,561	2,271	5,389
Income on real estate other than bank building—net	-415	99	2	19	8	2	-5
Income on real estate other than bank building—gross	1,664	218	2	57	10	43	36
Less: Operating expense	2,079	119		38	2	41	41
Income on other assets	23,036	1,116	10	11	2,601	147	149
Income from service operations	40,964	2,494	183	384	848	390	698
Current operating expenses—total	**389,780**	**39,870**	**1,619**	**6,394**	**8,267**	**11,543**	**8,974**
Salaries—officers	60,161	7,835	459	1,351	1,101	1,733	2,125
Salaries and wages—other employees	115,146	10,475	377	1,570	2,805	3,247	2,126
Pension, hospitalization and group insurance payments, and other employee benefits	37,149	3,667	90	384	661	873	677
Fees paid to trustees and committee members	5,111	547	47	188	61	113	244
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net	47,184	4,388	158	699	937	1,509	766
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—gross	61,405	4,974	182	823	1,023	1,806	1,328
Less: Income from bank building	14,221	586	24	124	86	297	562
Deposit insurance assessments	19,571	1,535	34	261	267	592	350
Furniture and fixtures (including recurring depreciation)	16,414	2,096	26	317	110	859	258
All other current operating expenses	89,044	9,327	428	1,624	2,325	2,617	2,428
Net current operating income	**2,848,955**	**226,229**	**4,121**	**37,771**	**38,108**	**89,842**	**53,984**
Franchise and income taxes—total	**47,710**	**7,022**	**162**	**135**	**886**	**1,831**	**490**
State franchise and income taxes	39,281	6,489		6	227	1,402	394
Federal income taxes	8,429	533	162	129	659	429	96
Net current operating income after taxes	**2,801,245**	**219,207**	**3,959**	**37,636**	**37,222**	**88,011**	**53,494**
Dividends and interest on deposits	**2,612,638**	**197,005**	**3,444**	**33,154**	**34,130**	**82,534**	**47,794**
Net current operating income after taxes and dividends	**188,607**	**22,202**	**515**	**4,482**	**3,092**	**5,477**	**5,700**

Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions—total	135,049	21,042	13	3,660	130	7,983	3,812
Non-recurring income	29,394	645	2	63	80	861	182
Realized profits and recoveries on:							
Securities sold or matured	77,817	13,978	9	3,255	7	6,272	3,089
Real estate mortgage loans	1,351	56	2	21	38	29	17
Other real estate	2,286	255		33		662	24
All other assets	2,066	365		17		61	105
Transfers from valuation adjustment provisions on:							
Securities	11,884	4,895		215	5	48	184
Real estate mortgage loans	9,583	500		56			54
Other real estate	56						
All other assets	612	348				50	157
Non-recurring expenses, realized losses charged to profit and loss, and transfers to valuation adjustment provisions—total	100,690	11,225	317	2,702	336	9,389	3,085
Non-recurring expenses	12,693	1,136	6	220	126	426	311
Realized losses on:							
Securities sold	64,136	7,274	73	2,130	34	8,607	1,629
Real estate mortgage loans	4,488	78	8	35	30	109	50
Other real estate	1,609	53	4	76		20	107
All other assets	3,219	1,225	13	26		54	140
Transfers to valuation adjustment provisions on:							
Securities	7,962	1,071		57		15	548
Real estate mortgage loans	5,558	31	213	150	6	124	217
Other real estate	189	28		5			5
All other assets	836	329		3	140	34	78
Net additions to total surplus accounts from operations	222,966	32,019	211	5,440	2,886	4,071	6,427
Memoranda							
Recoveries credited to valuation adjustment provisions (not included in recoveries above) on:							
Securities	391	2			59		18
Real estate mortgage loans	183				1		5
Other real estate	2			2			
All other assets	116				38		56
Realized losses charged to valuation adjustment provisions (not included in realized losses above) on:							
Securities	2,835	80		66	5	1	256
Real estate mortgage loans	1,072		15		11		50
Other real estate	186						
All other assets	353	2		6	154		108
Average assets and liabilities[2]							
Total assets	59,674,026	4,765,160	100,605	820,087	878,759	1,924,945	1,118,695
Total deposits	54,534,572	4,334,030	92,080	739,198	801,022	1,754,666	1,000,708
Total surplus accounts	4,345,524	405,660	8,441	76,182	66,076	152,879	97,923
Number of banks, December 31	334	69	4	31	6	8	32

Table 122. INCOME OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES, BY STATE, 1968—CONTINUED

(Amounts in thousands of dollars)

Income item	New Jersey	New York	Pennsylvania	Rhode Island	Vermont	Washington	Wisconsin	Other States or areas [1]
Current operating income—total	**139,923**	**2,182,386**	**189,412**	**58,290**	**13,986**	**70,326**	**1,991**	**55,699**
Interest on U.S. Government obligations	11,450	67,917	9,937	3,026	1,073	3,608	199	1,651
Interest and dividends on other securities	20,438	264,999	41,051	8,863	276	5,571	189	9,591
Interest and discount on real estate mortgage loans—net	104,460	1,756,477	134,134	42,529	11,550	58,843	1,459	41,800
Interest and discount on real estate mortgage loans—gross	106,802	1,805,986	141,027	44,149	11,642	59,153	1,477	42,929
Less: Mortgage servicing fees	1,857	48,446	6,856	1,619	92	306	18	1,123
Premium amortization	485	1,063	37	1	....	4	....	6
Interest and discount on other loans and discounts—net	1,203	47,280	1,806	3,233	888	938	64	1,081
Income on real estate other than bank building—net	-19	-450	3	-82	5	13		-10
Income on real estate other than bank building—gross	16	1,200	14	...	5	49		14
Less: Operating expense	35	1,650	11	82	....	36	...	24
Income on other assets	180	16,256	1,407	56	112	509	5	477
Income from service operations	2,211	29,907	1,074	665	82	844	75	1,109
Current operating expenses—total	**20,728**	**235,023**	**25,816**	**10,022**	**1,968**	**10,511**	**453**	**8,592**
Salaries—officers	3,439	32,978	3,017	1,862	470	2,118	123	1,550
Salaries and wages—other employees	5,928	71,734	8,546	2,406	489	3,116	103	2,224
Pension, hospitalization and group insurance payments, and other employee benefits	1,990	23,735	2,399	953	192	885	18	625
Fees paid to trustees and committee members	426	2,977	67	142	66	101	8	124
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net	2,346	30,642	2,672	1,109	148	902	60	848
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—gross	2,447	39,322	5,031	1,469	208	1,445	61	1,286
Less: Income from bank building	101	8,680	2,359	360	60	543	1	438
Deposit insurance assessments	891	13,313	1,200	302	83	401	11	331
Furniture and fixtures (including recurring depreciation)	1,131	9,021	1,374	336	72	289	20	505
All other current operating expenses	4,577	50,623	6,541	2,912	448	2,699	110	2,385
Net current operating income	**119,195**	**1,947,363**	**163,596**	**48,268**	**12,018**	**59,815**	**1,538**	**47,107**
Franchise and income taxes—total	**1,094**	**32,454**	**812**	**955**	**195**	**1,466**	**6**	**202**
State franchise and income taxes	.....	29,160	757	686	19	1	2	138
Federal income taxes	1,094	3,294	55	269	176	1,465	4	64
Net current operating income after taxes	**118,101**	**1,914,909**	**162,784**	**47,313**	**11,823**	**58,349**	**1,532**	**46,905**
Dividends and interest on deposits	**109,124**	**1,806,604**	**149,007**	**42,546**	**11,147**	**51,827**	**1,323**	**42,999**
Net current operating income after taxes and dividends	**8,977**	**108,305**	**13,777**	**4,767**	**676**	**6,522**	**209**	**3,906**

Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions—total	**3,338**	**85,798**	**3,089**	**2,554**	**170**	**854**	**16**	**2,590**
Non-recurring income	1,258	25,243	219	228	53	118	10	432
Realized profits and recoveries on:								
Securities sold or matured	1,980	43,824	1,776	1,222	108	210	1	2,086
Real estate mortgage loans	37	961	10	52	7	53	4	64
Other real estate	37	1,165	64	5	2	39	...	.
All other assets	26	1,465	1	6		11	1	8
Transfers from valuation adjustment provisions on:								
Securities		4,983	1,019	230		305		
Real estate mortgage loans		8,068		800		105		
Other real estate		43		...		13		
All other assets	...	46	...	11	...	...	...	...
Non-recurring expenses, realized losses charged to profit and loss, and transfers to valuation adjustment provisions—total	**3,161**	**59,950**	**5,643**	**1,463**	**171**	**476**	**50**	**2,722**
Non-recurring expenses	723	8,989	219	227	30	250	3	27
Realized losses on:								
Securities sold	2,131	34,924	4,734	485	122	46	35	1,912
Real estate mortgage loans	35	4,037	32	5	8	18	11	32
Other real estate	1	1,101	28	193	6	13	...	7
All other assets	35	1,600	16	30	2	11	1	66
Transfers to valuation adjustment provisions on:								
Securities	52	4,871	510	500	1	37		300
Real estate mortgage loans	184	4,188	49			43		353
Other real estate		38	55	.		58		...
All other assets	...	202	.	23	2	...	...	25
Net additions to total surplus accounts from operations	**9,154**	**134,153**	**11,223**	**5,858**	**675**	**6,900**	**175**	**3,774**
Memoranda								
Recoveries credited to valuation adjustment provisions (not included in recoveries above) on:								
Securities	...	5		307				
Real estate mortgage loans	5	170		2				
Other real estate		.						
All other assets		9		1				12
Realized losses charged to valuation adjustment provisions(not included in realized losses above) on:								
Securities	...	354	459	1,484		37		93
Real estate mortgage loans	10	956		9				21
Other real estate		186						
All other assets	...	46	...	23	...	...	...	14
Average assets and liabilities[2]								
Total assets	**2,673,820**	**40,113,625**	**3,833,893**	**1,051,478**	**251,534**	**1,078,568**	**37,438**	**1,025,419**
Total deposits	**2,469,155**	**36,760,666**	**3,430,933**	**958,212**	**231,944**	**990,695**	**34,114**	**937,149**
Total surplus accounts	**177,496**	**2,826,685**	**284,086**	**79,258**	**17,967**	**75,660**	**3,128**	**74,083**
Number of banks, December 31	21	125	7	7	6	7	3	8

[1] Other States or areas include Alaska, Delaware, Minnesota, Ohio, Oregon, and Puerto Rico.

[2] Averages of amounts are for the four consecutive call dates beginning with the end of the previous year and ending with the fall call of the current year.

BANKS CLOSED BECAUSE OF FINANCIAL DIFFICULTIES; DEPOSIT INSURANCE DISBURSEMENTS

Deposit insurance disbursements

Disbursements by the Federal Deposit Insurance Corporation to protect depositors are made when the insured deposits of banks in financial difficulties are paid off, or when the deposits of a failing bank are assumed by another insured bank with the financial aid of the Corporation. In deposit payoff cases, the disbursement is the amount paid by the Corporation on insured deposits. In deposit assumption cases, the principal disbursement is the amount loaned to failing banks, or the price paid for assets purchased from them; additional disbursements are made in those cases as advances for protection of assets in process of liquidation and for liquidation expenses.

Noninsured bank failures

No noninsured bank failed in 1968.

For detailed data regarding noninsured banks which suspended in the years 1934-1962, see the Annual Report for 1963, pp. 27-41. For 1963-1967, see Table 123 of this Report, and previous Reports for respective years.

Sources of data

Insured banks: books of bank at date of closing; and books of FDIC, December 31, 1968.

Table 123. NUMBER AND DEPOSITS OF BANKS CLOSED BECAUSE OF FINANCIAL DIFFICULTIES, 1934-1968

Year	Number					Deposits (in thousands of dollars)				
			Insured					Insured		
	Total	Non-insured[1]	Total	Without disbursements by FDIC[2]	With disbursements by FDIC[3]	Total	Non-insured[1]	Total	Without disbursements by FDIC[2]	With disbursements by FDIC[3]
Total	**609**	**131**	**478**	**8**	**470**	**930,553**	**61,973**	**868,580**	**41,147**	**827,433**
1934	61	52	9		9	37,332	35,364	1,968		1,968
1935	32	6	26	1	25	13,987	583	13,404	85	13,319
1936	72	3	69		69	28,100	592	27,508		27,508
1937	83	7	76	2	74	34,141	528	33,613	328	33,285
1938	80	7	73		73	60,444	1,038	59,406		59,406
1939	72	12	60		60	160,211	2,439	157,772		157,772
1940	48	5	43		43	142,787	358	142,429		142,429
1941	16	2	14		14	18,805	79	18,726		18,726
1942	23	3	20		20	19,541	355	19,186		19,186
1943	5		5		5	12,525		12,525		12,525
1944	2		2		2	1,915		1,915		1,915
1945	1		1		1	5,695		5,695		5,695
1946	2	1	1		1	494	147	347		347
1947	6	1	5		5	7,207	167	7,040		7,040
1948	3		3		3	10,674		10,674		10,674
1949	9	4	5		4	9,217	2,552	6,665	1,190	5,475
1950	5	1	4		4	5,555	42	5,513		5,513
1951	5	3	2		2	6,464	3,056	3,408		3,408
1952	4	1	3		3	3,313	143	3,170		3,170
1953	5	1	4	2	2	45,101	390	44,711	26,449	18,262
1954	4	2	2		2	2,948	1,950	998		998
1955	5		5		5	11,953		11,953		11,953
1956	3	1	2		2	11,689	360	11,329		11,329
1957	3	1	2		1	12,502	1,255	11,247	10,084	1,163
1958	9	5	4		4	10,413	2,173	8,240		8,240
1959	3		3		3	2,593		2,593		2,593
1960	2	1	1		1	7,965	1,035	6,930		6,930
1961	9	4	5		5	10,611	1,675	8,936		8,936
1962	3	2	1			4,231	1,220	3,011	3,011	
1963	2		2		2	23,444		23,444		23,444
1964	8	1	7		7	23,867	429	23,438		23,438
1965	9	4	5		5	45,256	1,395	43,861		43,861
1966	8	1	7		7	106,171	2,648	103,523		103,523
1967	4		4		4	10,878		10,878		10,878
1968	3		3		3	22,524		22,524		22,524

[1] For information regarding each of these banks, see Table 22 in the Annual Report of the Federal Deposit Insurance Corporation for 1963, page 221 of the report for 1964, page 179 of the report for 1965, and page 183 of the 1966 report. One noninsured bank placed in receivership in 1934, with no deposits at time of closing, is omitted (see Table 22, note 9). Deposits are unavailable for 7 banks.

[2] For information regarding these cases, see Table 23 of the Annual Report for 1963.

[3] For information regarding each bank, see the Annual Report for 1958, pp. 48-83 and pp. 98-127, and tables regarding deposit insurance disbursements in subsequent annual reports. Deposits are adusted as of December 31, 1968 and exclude deposits for three cases requiring disbursements by the Corporation; 1 bank in voluntary liquidation in 1937 (payoff case no. 90); 1 noninsured bank in 1938 with insured deposits at date of suspension, its insurance status having been terminated prior to suspension (payoff case no. 162); and 1 foreign-owned bank closed in 1941 by order of the Federal Government (payoff case no. 234).

Table 124. INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION DURING 1968

Case number	Name and location	Class of bank	Number of accounts[1]	Date of deposit assumption	Disbursement[2]	Assuming bank
Deposit assumption						
191	Lorenzo State Bank, Lorenzo, Texas	NM	2,179	February 13, 1968	$1,551,972	Lorenzo State Bank at Lorenzo, Lorenzo, Texas
192	Central National Bank of Jacksonville, Jacksonville, Florida	N	8,091	May 27, 1968	2,475,966	Marine National Bank of Jacksonville, Jacksonville, Florida
193	Bank of Commerce, Tonkawa, Oklahoma	NM	2,580	September 25, 1968	1,025,021	The Service Bank of Tonkawa, Tonkawa, Oklahoma

Case number	Assets[1]							Total	Liabilities and capital accounts[1]			
	Cash and due from banks	U. S. Government obligations	Other securities	Loans, discounts, and overdrafts	Banking house, furniture & fixtures	Other real estate	Other assets		Deposits	Other liabilities	Capital stock	Other capital accounts
Deposit assumption												
191	768,012	669,594	618,113	3,939,956	62,047	7,000	93,977	6,158,699	5,612,285	15,918	100,000	430,496
192	1,117,523	2,850,082	775,600	7,604,592	606,037	120,403	370,393	13,444,630	11,757,299	455,664	1,600,000	-368,333
193	498,971	1,801,042	229,005	2,895,032	85,000	6,000	35,627	5,550,677	5,154,686	93,067	100,000	202,924

[1] Figures as determined by FDIC agents after adjustment of books of the bank immediately following its closing.
[2] Includes disbursements made to December 31, 1968, plus additional disbursements estimated to be required in these cases.

Table 125. DEPOSITORS, DEPOSITS, AND DISBURSEMENTS IN INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1968

BANKS GROUPED BY CLASS OF BANK, YEAR OF DEPOSIT PAYOFF OR DEPOSIT ASSUMPTION, AMOUNT OF DEPOSITS, AND STATE

Classification	Number of banks			Number of depositors[1]			Deposits[1] (in thousands of dollars)			Disbursements by FDIC[1] (in thousands of dollars)				
										Principal disbursements			Advances and expenses[2]	
	Total	Payoff cases	Assumption cases	Total	Payoff cases	Assumption cases	Total	Payoff cases	Assumption cases	Total	Payoff cases[3]	Assumption cases[4]	Payoff cases[5]	Assumption cases[6]
All banks	**473**	**280**	**193**	**1,645,447**	**501,998**	**1,143,449**	**838,768**	**245,996**	**592,772**	**381,807**	**163,741**	**218,066**	**2,986**	**48,768**
Class of bank														
National banks	86	30	56	340,766	84,215	256,551	195,757	80,597	115,160	81,260	38,350	42,910	914	6,544
State banks members F.R.S.	25	9	16	373,810	88,204	285,606	194,421	33,303	161,119	105,741	25,470	80,271	212	19,273
Banks not members F.R.S.	362	241	121	930,871	329,579	601,292	448,590	132,097	316,493	194,806	99,921	94,885	1,860	22,951
Year[7]														
1934	9	9	...	15,767	15,767	...	1,968	1,968	...	941	941	...	43	...
1935	25	24	1	44,655	32,331	12,324	13,319	9,091	4,229	8,891	6,026	2,865	108	272
1936	69	42	27	89,018	43,225	45,793	27,508	11,241	16,267	14,781	8,056	6,725	67	934
1937	75	50	25	130,387	74,148	56,239	33,349	14,960	18,389	19,161	12,045	7,116	103	905
1938	74	50	24	203,961	44,288	159,673	59,684	10,296	49,388	30,479	9,092	21,387	93	4,902
1939	60	32	28	392,718	90,169	302,549	157,772	32,738	125,034	67,770	26,196	41,574	162	17,603
1940	43	19	24	256,361	20,667	235,694	142,429	5,657	136,773	74,134	4,895	69,239	89	17,237
1941	15	8	7	73,005	38,594	34,411	29,718	14,730	14,987	23,880	12,278	11,602	50	1,479
1942	20	6	14	60,688	5,717	54,971	19,186	1,816	17,369	10,825	1,612	9,213	38	1,076
1943	5	4	1	27,371	16,917	10,454	12,525	6,637	5,888	7,172	5,500	1,672	53	72
1944	2	1	1	5,487	899	4,588	1,915	456	1,459	1,503	404	1,099	9	37
1945	1	...	1	12,483	...	12,483	5,695	...	5,695	1,768	...	1,768	...	96
1946	1	...	1	1,383	...	1,383	347	...	347	265	...	265	...	11
1947	5	...	5	10,637	...	10,637	7,040	...	7,040	1,724	...	1,724	...	368
1948	3	...	3	18,540	...	18,540	10,674	...	10,674	2,990	...	2,990	...	200
1949	4	...	4	5,671	...	5,671	5,475	...	5,475	2,552	...	2,552	...	166
1950	4	...	4	6,366	...	6,366	5,513	...	5,513	3,986	...	3,986	...	524
1951	2	...	2	5,276	...	5,276	3,408	...	3,408	1,885	...	1,885	...	127
1952	3	...	3	6,752	...	6,752	3,170	...	3,170	1,369	...	1,369	...	195
1953	2	...	2	24,469	...	24,469	18,262	...	18,262	5,017	...	5,017	...	428
1954	2	...	2	1,811	...	1,811	998	...	998	913	...	913	...	145
1955	5	4	1	17,790	8,080	9,710	11,953	6,503	5,450	6,784	4,438	2,346	106	665
1956	2	1	1	15,197	5,465	9,732	11,329	4,702	6,628	3,458	2,795	663	87	51
1957	1	1	...	2,338	2,338	...	1,163	1,163	...	1,031	1,031	...	20	...
1958	4	3	1	9,587	4,380	5,207	8,240	4,156	4,084	3,026	2,796	230	38	31
1959	3	3	...	3,073	3,073		2,593	2,593		1,835	1,835		51	
1960	1	1		11,171	11,171		6,930	6,930		4,765	4,765		82	

1961	5	5		8,301	8,301		8,936	8,936		6,200	6,200		154	
1963	2	2		36,430	36,430		23,444	23,444		19,232	19,232		283	
1964	7	7		19,934	19,934		23,438	23,438		13,770	13,770		580	
1965	5	3	2	15,817	14,363	1,454	43,861	42,889	972	11,449	10,976	473	568	116
1966	7	1	6	95,424	1,012	94,412	103,523	774	102,749	15,075	735	14,340	25	855
1967	4	4		4,729	4,729		10,878	10,878		8,125	8,125		177	
1968	3		3	12,850		12,850	22,524		22,524	5,053		5,053		271
Banks with deposits of—														
Less than $100,000	107	83	24	38,347	29,695	8,652	6,418	4,947	1,471	5,000	4,309	691	88	154
$100,000 to $250,000	109	86	23	83,370	65,512	17,858	17,759	13,920	3,839	12,906	11,554	1,352	209	173
$250,000 to $500,000	61	37	24	91,218	57,287	33,931	21,882	12,921	8,961	14,993	10,550	4,443	163	611
$500,000 to $1,000,000	72	35	37	161,923	74,870	87,053	55,972	27,935	28,037	36,675	20,957	15,718	394	2,312
$1,000,000 to $2,000,000	52	17	35	211,161	66,768	144,393	74,044	22,210	51,834	41,103	17,085	24,018	353	3,609
$2,000,000 to $5,000,000	41	14	27	257,640	73,531	184,109	128,929	46,744	82,185	69,989	32,307	37,682	518	5,849
$5,000,000 to $10,000,000	18	4	14	227,707	32,665	195,042	115,956	27,715	88,241	45,779	17,818	27,961	441	5,585
$10,000,000 to $25,000,000	7	3	4	206,228	89,189	117,039	125,255	49,429	75,825	61,990	39,444	22,546	318	5,519
$25,000,000 to $50,000,000	5	1	4	284,809	12,481	272,328	199,594	40,176	159,418	83,370	9,717	73,653	500	24,723
$50,000,000 to $100,000,000	1		1	83,044		83,044	92,960		92,960	10,000		10,000		229
State														
Alabama	4	2	2	9,170	2,059	7,111	6,170	3,985	2,185	3,557	2,562	995	62	91
Arkansas	7	6	1	5,446	4,541	905	2,538	1,942	596	1,720	1,576	144	43	48
California	4	3	1	21,059	17,890	3,169	47,298	46,220	1,078	13,824	12,963	861	595	138
Colorado	3	2	1	2,094	1,382	712	2,987	2,262	725	1,410	938	472	40	74
Connecticut	2	2		5,379	5,379		1,526	1,526		1,242	1,242		8	
Florida	5	2	3	14,082	1,725	12,357	17,665	2,668	14,997	5,935	2,145	3,790	52	287
Georgia	10	8	2	9,410	8,797	613	1,959	1,870	89	1,620	1,551	69	33	33
Idaho	2	2		2,451	2,451		1,894	1,894		1,493	1,493		29	
Illinois	20	8	12	79,721	41,802	37,919	50,765	25,081	25,684	28,456	20,474	7,982	312	791
Indiana	20	15	5	30,006	12,549	17,457	13,593	3,932	9,662	6,197	3,096	3,101	39	384
Iowa	7	4	3	16,055	4,066	11,989	9,401	4,383	5,018	3,875	2,804	1,071	46	113
Kansas	10	6	4	6,715	3,824	2,891	5,052	4,357	694	4,093	3,601	492	45	72
Kentucky	23	18	5	36,139	18,490	17,649	8,888	3,953	4,934	5,455	3,329	2,126	44	201
Louisiana	3	3		6,087	6,087		1,652	1,652		668	668		10	
Maine	1		1	9,710		9,710	5,450		5,450	2,346		2,346		665
Maryland	5	2	3	22,567	6,643	15,924	4,566	828	3,738	3,109	735	2,374	9	371
Massachusetts	2		2	9,046		9,046	3,019		3,019	1,564		1,564		1,030
Michigan	10	4	6	115,863	2,084	113,779	107,727	1,394	106,332	17,461	1,311	16,150	43	989
Minnesota	5	5		2,650	2,650		818	818		640	640		17	
Mississippi	3	3		1,651	1,651		334	334		257	257		5	
Missouri	49	36	13	41,277	29,478	11,799	11,107	7,240	3,867	7,678	6,011	1,667	99	277
Montana	5	3	2	1,500	849	651	1,095	215	880	639	186	453	6	21
Nebraska	6	6		6,069	6,069		8,145	8,145		5,008	5,008		46	
New Hampshire	1		1	1,780		1,780	296		296	117		117		8
New Jersey	39	12	27	522,563	103,797	418,766	194,630	33,128	161,502	82,125	26,468	55,657	161	20,154

Table 125. DEPOSITORS, DEPOSITS, AND DISBURSEMENTS IN INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1968—CONTINUED

BANKS GROUPED BY CLASS OF BANK, YEAR OF DEPOSIT PAYOFF OR DEPOSIT ASSUMPTION, AMOUNT OF DEPOSITS, AND STATE

Classification	Number of banks			Number of depositors[1]			Deposits[1] (in thousands of dollars)			Disbursements by FDIC[1] (in thousands of dollars)				
										Principal disbursements			Advances and expenses[2]	
	Total	Payoff cases	Assumption cases	Total	Payoff cases	Assumption cases	Total	Payoff cases	Assumption cases	Total	Payoff cases[3]	Assumption cases[4]	Payoff cases[5]	Assumption cases[6]
New York	26	3	23	269,621	28,440	241,181	145,439	13,286	132,153	67,997	10,836	57,161	32	10,847
North Carolina	7	2	5	10,408	3,677	6,731	3,266	1,421	1,845	2,387	1,156	1,231	23	179
North Dakota	29	18	11	14,103	6,760	7,343	3,830	1,552	2,278	2,656	1,397	1,259	24	203
Ohio	4	2	2	13,751	7,585	6,166	7,223	2,345	4,877	2,098	1,610	488	7	44
Oklahoma	12	8	4	27,650	20,149	7,501	18,920	11,053	7,867	10,272	7,936	2,336	178	166
Oregon	2	1	1	3,439	1,230	2,209	2,670	1,368	1,302	1,948	986	962	11	81
Pennsylvania	29	8	21	166,894	43,828	123,066	75,756	14,340	61,416	51,292	10,133	41,159	75	9,524
South Carolina	2	1	1	1,848	403	1,445	849	136	714	274	136	138	......	10
South Dakota	23	22	1	12,515	11,412	1,103	2,987	2,862	126	2,411	2,388	23	26	9
Tennessee	12	8	4	12,358	9,993	2,365	1,942	1,620	322	1,278	1,164	114	28	25
Texas	33	26	7	44,963	35,848	9,115	30,720	19,185	11,534	17,189	13,241	3,948	457	447
Vermont	3	2	1	11,057	8,687	2,370	3,725	3,375	350	3,445	3,259	186	21	22
Virginia	9	4	5	35,715	12,638	23,077	17,778	7,652	10,127	8,285	3,889	4,396	293	505
Washington	1	......	1	4,179	......	4,179	1,538	......	1,538	935	......	935	......	512
West Virginia	3	3		8,346	8,346		2,006	2,006		1,458	1,458		11	
Wisconsin	31	20	11	26,898	18,739	8,159	9,512	5,966	3,545	7,188	5,096	2,092	54	426
Wyoming	1	......	1	3,212	......	3,212	2,033	......	2,033	202	......	202	......	19

[1] Adjusted to December 31, 1968. In assumption cases, number of depositors refers to number of deposit accounts.
[2] Excludes $352 thousand of non-recoverable insurance expenses in cases which were resolved without payment of claims or a disbursement to facilitate assumption of deposits by another insured bank, and other expenses of field liquidation employees not chargeable to liquidation activities.
[3] Includes estimated additional disbursements in active cases.
[4] Excludes excess collections turned over to banks as additional purchase price at termination of liquidation.
[5] These disbursements are not recoverable by the Corporation; they consist almost wholly of field payoff expenses.
[6] Includes advances to protect assets and liquidation expenses of $47,992 thousand, all of which have been fully recovered by the Corporation, and $611 thousand of non-recoverable expenses.
[7] No case in 1962 required disbursements. Disbursement totals for each year relate to cases occurring during that year, including disbursements made in subsequent years.
Note: Due to rounding differences, components may not add to totals.

Table 126. RECOVERIES AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ON PRINCIPAL DISBURSEMENTS FOR PROTECTION OF DEPOSITORS, 1934–1968

(Amounts in thousands of dollars)

Liquidation status and year of deposit payoff or deposit assumption	All cases					Deposit payoff cases					Deposit assumption cases				
	Number of banks	Principal disbursements	Recoveries to Dec. 31, 1968	Estimated additional recoveries	Losses[1]	Number of banks	Principal disbursements[2]	Recoveries to Dec. 31, 1968	Estimated additional recoveries	Losses[1]	Number of banks	Principal disbursements[3]	Recoveries to Dec. 31, 1967	Estimated additional recoveries	Losses[1]
Total	473	381,805	316,464	13,504	51,837	280	163,740	125,231	9,606	28,903	193	218,065	191,233	3,898	22,934
Status															
Active	38	123,976	84,504	13,504	25,967	21	59,681	36,165	9,606	13,910	17	64,295	48,339	3,898	12,057
Terminated	435	257,830	231,960	...	25,870	259	104,059	89,066	...	14,993	176	153,771	142,894	...	10,877
Year[4]															
1934	9	941	734	...	207	9	941	734	...	207	...	...	...	...	...
1935	25	8,891	6,202	2	2,686	24	6,026	4,274	...	1,751	1	2,865	1,928	2	935
1936	69	14,781	12,325	...	2,455	42	8,056	6,595	...	1,460	27	6,725	5,730	...	995
1937	75	19,161	15,610	...	3,549	50	12,045	9,520	...	2,524	25	7,116	6,090	...	1,025
1938	74	30,479	28,055	...	2,425	50	9,092	7,908	...	1,184	24	21,387	20,147	...	1,241
1939	60	67,770	60,618	...	7,153	32	26,196	20,399	...	5,798	28	41,574	40,219	...	1,355
1940	43	74,134	70,336	40	3,757	19	4,895	4,313	...	582	24	69,239	66,023	40	3,175
1941	15	23,880	23,290	...	591	8	12,278	12,065	...	213	7	11,602	11,225	...	378
1942	20	10,825	10,136	...	688	6	1,612	1,320	...	292	14	9,213	8,816	...	396
1943	5	7,172	7,048	...	123	4	5,500	5,376	...	123	1	1,672	1,672	...	...
1944	2	1,503	1,462	...	40	1	404	363	...	40	1	1,099	1,099	...	...
1945	1	1,768	1,768	...	...	...	...	...	...	...	1	1,768	1,768	...	...
1946	1	265	265	...	...	...	...	...	...	...	1	265	265	...	...
1947	5	1,724	1,641	17	67	...	...	...	...	...	5	1,724	1,641	17	67
1948	3	2,990	2,349	...	641	...	...	...	...	...	3	2,990	2,349	...	641
1949	4	2,552	2,183	...	369	...	...	...	...	...	4	2,552	2,183	...	369
1950	4	3,986	2,601	...	1,385	...	...	...	...	...	4	3,986	2,601	...	1,385
1951	2	1,885	1,885	...	...	...	...	...	...	...	2	1,885	1,885	...	...
1952	3	1,369	577	...	792	...	...	...	...	...	3	1,369	577	...	792
1953	2	5,017	5,017	...	...	...	...	...	...	...	2	5,017	5,017	...	...
1954	2	913	654	...	258	...	...	...	...	...	2	913	654	...	258
1955	5	6,784	6,554	...	230	4	4,438	4,208	...	230	1	2,346	2,346	...	...
1956	2	3,458	3,148	60	250	1	2,795	2,500	55	240	1	663	648	5	10
1957	1	1,031	1,031	...	...	1	1,031	1,031	...	...	...	...	...	...	...
1958	4	3,026	2,998	...	28	3	2,796	2,768	...	28	1	230	230	...	...
1959	3	1,835	1,738	...	97	3	1,835	1,738	...	97	...	...	...	...	...
1960	1	4,765	4,765	...	...	1	4,765	4,765	...	...	...	...	...	...	...
1961	5	6,200	4,652	26	1,523	5	6,200	4,652	26	1,523	...	...	...	...	...
1963	2	19,232	15,777	1,895	1,560	2	19,232	15,777	1,895	1,560	...	...	...	...	...
1964	7	13,767	10,622	930	2,215	7	13,767	10,622	930	2,215	...	...	...	...	...
1965	5	11,449	839	3,864	6,746	3	10,976	541	3,860	6,575	2	473	298	4	171
1966	7	15,075	3,670	2,954	8,451	1	735	611	104	20	6	14,340	3,059	2,850	8,431
1967	4	8,125	3,147	2,737	2,240	4	8,125	3,147	2,737	2,240	...	...	...	...	...
1968	3	5,053	2,763	980	1,310	...	...	...	...	...	3	5,053	2,763	980	1,310

[1] Includes estimated losses in active cases. Not adjusted for interest or allowable return, which was collected in some cases in which the disbursement was fully recovered.

[2] Includes estimated additional disbursements in active cases.

[3] Excludes excess collections turned over to banks as additional purchase price at termination of liquidation.

[4] No case in 1962 required disbursements.

Note: Due to rounding differences, components may not add to totals.

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