FDIC

1979 ANNUAL REPORT OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

Board of Directors

John G. Heimann
Comptroller of the Currency

Irvine H. Sprague
Chairman

William M. Isaac
Director

LETTER OF TRANSMITTAL

FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, D.C., August 1, 1980

SIRS: In accordance with the provisions of section 17(a) of the Federal Deposit Insurance Act, the Federal Deposit Insurance Corporation is pleased to submit its annual report for the calendar year 1979.

Very truly yours,

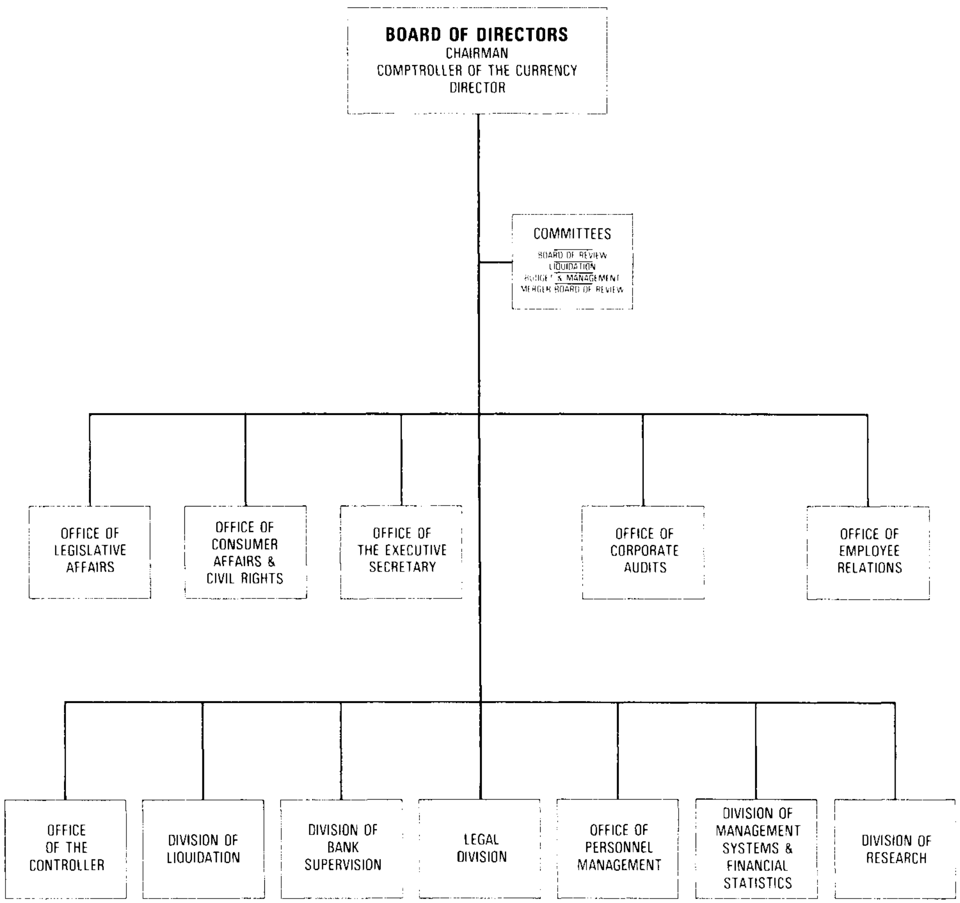
Irvine H. Sprague

Irvine H. Sprague
Chairman

THE PRESIDENT OF THE SENATE

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

FEDERAL DEPOSIT INSURANCE CORPORATION



FEDERAL DEPOSIT INSURANCE CORPORATION

BOARD OF DIRECTORS

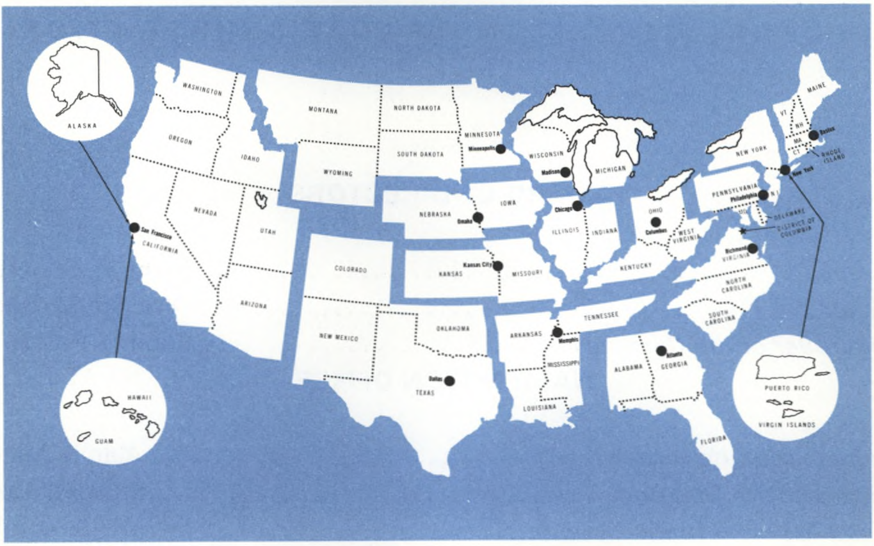
Chairman .... Irvine H. Sprague
Director .... William M. Isaac
Comptroller of the Currency .... John G. Heimann

WASHINGTON OFFICE

Deputy to the Chairman .... Alan R. Miller
Assistant to the Director .... Edwin B. Burr
Special Assistant to the Director .... Merphil S. Kondo
Assistant to the Director (Comptroller of the Currency) .... David C. Motter
Executive Secretary .... Hoyle L. Robinson
Director, Division of Bank Supervision .... John J. Early
General Counsel .... Frank L. Skillern, Jr.
Controller .... James A. Davis
Director, Division of Liquidation .... George W. Hill
Director, Division of Management Systems and Financial Statistics .... George G. Kershaw
Director of Research .... Stanley C. Silverberg
Director, Congressional Liaison Staff .... Kenneth Fulton
Director, Office of Corporate Audits .... Robert D. Hoffman
Director, Office of Consumer Affairs and Civil Rights .... Henry S. Newport
Director, Office of Personnel Management .... Jack C. Pleasant
Director, Office of Employee Relations .... Joe S. Arnold
Assistant to the Deputy to the Chairman .... Michael A. Hovan, Jr.

December 31, 1979

FEDERAL DEPOSIT INSURANCE CORPORATION REGIONS



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December 31, 1979

FEDERAL DEPOSIT INSURANCE CORPORATION
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OPERATIONS OF THE CORPORATION
PART ONE

OPERATIONS OF THE CORPORATION

The principal objectives of the Federal Deposit Insurance Corporation are to protect bank customers through deposit insurance and consumer protection programs and to promote a healthy banking system.

Bank examinations are the front line of the FDIC's operations to promote and maintain the safety and soundness of the banking system and to enforce compliance with consumer and civil rights laws.

The FDIC has some supervisory authority over all federally insured banks, but its primary responsibilities are for the 8,938 insured State-chartered banks that are not members of the Federal Reserve System (insured State nonmember banks) and 324 insured mutual savings banks. As of December 31, 1979, there were 14,608 insured commercial and mutual savings banks with domestic and foreign assets of $1.7 trillion. These banks accounted for 97 percent of all banks in the United States.

The Corporation's partner agencies, the Office of the Comptroller of the Currency (OCC) and the Board of Governors of the Federal Reserve System, similarly examine national banks and State member banks, respectively.

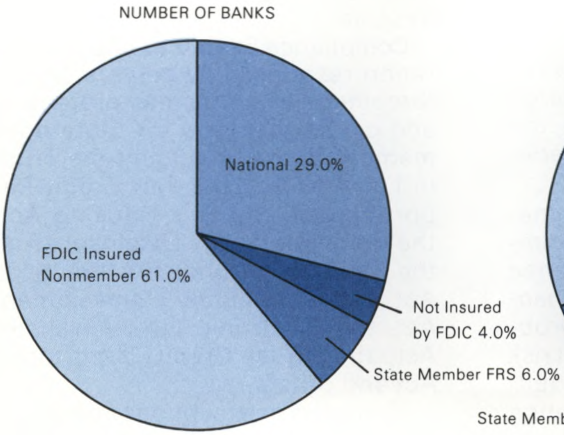
The FDIC depends on a corps of skilled, dedicated and well trained field examiners to perform the basic supervisory function. They are supported by administrative, policy and review officials in its Division of Bank Supervision (DBS) in Washington.

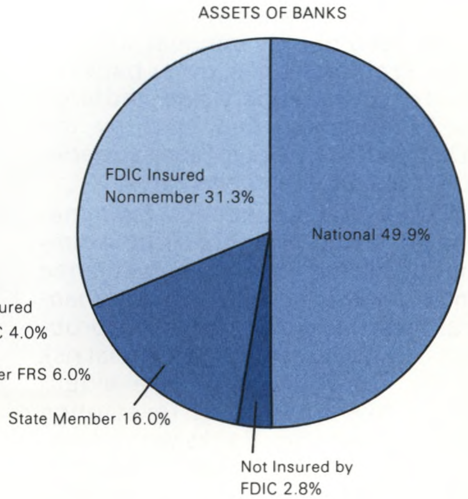
Funding for these operations in 1979 commanded the largest share of the FDIC administrative budget — $78.1 million, or 68 percent of total expenditures of $107.1 million.

The bulk of bank supervision fund-

SUPERVISORY CLASSES OF BANKS IN THE UNITED STATES, DECEMBER 31, 1979

Commercial Banks and Mutual Savings Banks





ing is distributed appropriately to the field. Almost $67.9 million was expended in 1979 by the 14 Regional Offices which in turn supervise 150 field examination offices.

The Corporation conducted 19,900 bank examination activities in 1979. The following table compares the 1978 and 1979 examination workload:

	1978	1979
Bank Examination Activities:		
Safety & Soundness	6,961	7,214
Consumer Protection	6,684	4,809
Examinations of Trust & EDP Departments	2,092	2,523
Investigations	2,755	2,892
Applications	1,756	2,476
TOTAL	20,248	19,914

Efforts to make the most efficient use of examiner time include new emphasis on the divided examination concept. The FDIC has agreements to share examination resources with State bank supervisors in Georgia, Missouri, New Jersey, Illinois, Michigan and North Dakota, and expects to enter into agreements with three additional States in 1980. Such agreements can mean substantial savings in examiner time because they provide that each authority need examine each year only half of those banks whose records show need of only minimal supervision. Problem banks, other banks in need of special supervision, and large banks are examined both by the FDIC and the bank's State supervisor at least once each year.

Safety and Soundness Examinations. The first priority of FDIC examinations is the effective surveillance and supervision of banks having financial weaknesses or operating problems. Banks presenting financial risk to the Corporation receive a full-scope examination at least once every 12 months. Banks with a lesser degree of supervisory problems, but in less than fully satisfactory condition, receive a full-scope examination at least every 18 months. Other banks, not representing financial or supervisory concern to the FDIC, receive either a full-scope or modified examination at least once in each 18 month period.

To increase and encourage bank director participation in the supervisory process, Corporation examiners meet with either the Board of Directors or an appropriate Committee of the Board at each full-scope examination, or more often if necessary. The Regional Director, or a designated representative, participates in these meetings if the bank is or may be formally designated a problem bank.

The FDIC also reviews OCC and Federal Reserve Reports of Examination for national and State-chartered banks that are members of the Federal Reserve System. Reports for large banks that are not of special supervisory concern are reviewed annually and reports for smaller banks are reviewed at least once every three years. Examination reports of banks that are of supervisory concern, regardless of size, are reviewed as soon as they are made available. The FDIC also reviews Reports of Bank Holding Company Inspection prepared by the Federal Reserve.

Compliance Examinations: Corporation responsibility centers on enforcement of consumer protection and civil rights laws for State nonmember banks, including the Truth in Lending Act, the Fair Credit Reporting Act, the Fair Housing Act, the Home Mortgage Disclosure Act, the Fair Debt Collection Practices Act, the Community Reinvestment Act, the Electronic Funds Transfer Act, the Equal Credit Opportunity Act and others.

Violations or exceptions noted during compliance examinations are reported to the banks involved and routinely followed up by the Regional Offices to assure corrective action is taken. If voluntary compliance cannot be obtained by moral suasion and additional follow-up examinations, visits, meetings with Boards of Directors of the banks involved or other informal means, the Division of Bank Supervision (DBS) or the Office of Consumer Affairs and Civil Rights (OCACR) may recommend that formal enforcement action under Section 8(b) of the FDI Act be initiated. During 1979, the FDIC's Board of Directors issued seven such orders involving violations of consumer protection or civil rights laws and regulations.

This was the second full year of separate compliance examinations and the resources devoted to such examinations is expected to continue to increase in 1980. The Corporation spent $12 million for compliance enforcement in 1979, compared with $9.7 million in 1978 and $2.25 million in 1976.

There were 4,800 compliance examinations in 1979, a decline from 6,700 in 1978 as examiners and institutions adjusted to uniform enforcement guidelines which were introduced in 1978.

Each compliance examination averaged 56 hours in 1979, almost double the 1978 average. This is expected to climb to 70 hours in 1980.

The FDIC expects to spend 387,000 examiner hours on compliance examinations in 1980, a 60 percent increase from 1979. Truth-in-Lending enforcement will ac-

BANK EXAMINATION ACTIVITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1978 AND 1979

Activity	Number	
	1979	1978
Bank examination activities—total	**19,914**	**20,248**
Safety and soundness examinations	**7,214**	**6,961**
Regular examination of insured banks not members of Federal Reserve System	6,887	6,745
Re-examinations	127	149
Other examinations	200	67
Consumer protection examinations	**4,809**	**6,684**
Examinations of departments	**2,523**	**2,092**
Trust departments	1,510	1,387
Data-processing facilities	1,013	705
Investigations	**2,892**	**2,755**
Application reviews	**2,476**	**1,756**
New banks: State banks members of Federal Reserve System	30	26
New banks: Banks not members of Federal Reserve System	164	136
New branches	1,177	877
Mergers and consolidations	147	103
Other	958	614

count for about half of that time, up from 44 percent in 1979. Equal Credit Opportunity Act and Community Reinvestment Act enforcement will each take another 15 percent of compliance examination time and Fair Housing Act enforcement 10 percent.

All examiners receive special training in the conduct of compliance examinations. In 1979 compliance and enforcement programs were strengthened by creating a career specialty for compliance examiners. At year-end, 46 of the 114 approved positions were filled. Eventually, all compliance examinations will be conducted by career specialists. A reorganization plan was under study at year-end to further strengthen FDIC's efforts in the consumer area.

Trust Department Examinations. A State nonmember bank wishing to operate a trust department must receive the Corporation's consent to exercise trust powers. During 1979, 52 new trust departments began operations in banks supervised by the FDIC.

The Corporation supervises 2,069 trust departments in State nonmember banks. As of December 31, 1978, the latest date for which figures are available, these trust departments managed about $45 billion in discretionary trust assets. Most of the trust departments supervised by the Corporation are relatively small: 1,563, or 78 percent, have $10 million or less in trust assets. However, the Corporation also supervises 71 trust departments of over $100 million and 10 of these manage over $1 billion in discretionary trust assets. Additionally, 453 banks were registered with the FDIC as registrars and transfer agents of certain classes of securities as required by the Securities Exchange Act of 1934.

Each State nonmember bank trust department is examined regularly by the Corporation. To enhance the FDIC's trust examination capabilities, 15 Trust Specialist bank examiners have been appointed in 10 Regional Offices.

Each trust department supervised by the Corporation must file an annual report showing the market value of discretionary trust assets under its control. The 1979 report was the first such statistical survey of banks to be conducted under the auspices of the Federal Financial Institutions Examination Council (FFIEC). In addition, the FDIC expanded coverage of the report to include those mutual savings banks exercising trust powers. The report also includes, for the first time, a schedule giving certain details about each collective investment fund operated by a bank's trust department.

A survey to determine the extent of overseas trust activities of State nonmember banks was conducted at the end of 1979 under the auspices of the FFIEC. The survey requested information on the type, volume, and location of investment management and other fiduciary services offered overseas.

The Corporation changed Part 309 of its Rules and Regulations in 1979 to allow additional information shown on the Trust Department Annual Report to be made available to the public upon request in the same manner as bank Reports of Condition and Reports of Income.

A new Part 344 of the Corporation's Rules and Regulations was adopted in 1979, effective January 1, 1980, setting uniform minimum standards in bank recordkeeping, customer confirmations, and other policies and reporting requirements on securities transactions for trust department and other bank customers.

Electronic Data Processing (EDP) Examination. In 1979, the FDIC enhanced its EDP training program for examiners, and structured EDP Training Courses for Interagency use.

In 1978, the Corporation adopted an Interagency EDP policy statement which brought about joint or rotated examinations of independent data centers and distribution of examination reports to all servicers and serviced institutions. This generated a substantial amount of paperwork so the policy was modified in mid-1979 in favor of distribution only when conditions noted at a servicer could adversely or materially affect serviced institutions.

Development of the Interagency EDP Examination Manual began in early 1979. Publication is expected in mid-1980 and implementation shortly thereafter. A draft of the manual was reviewed by bankers, data processors, consultants and regulators.

Applications. State nonmember banks must apply to the FDIC to, among other things, obtain deposit insurance, establish new branches, or relocate existing offices. The Corporation also rules on merger, consolidation and purchase and assumption transactions when the resulting bank is to be an insured State nonmember bank, or on any merger-type transaction of an insured bank with a noninsured institution. In approving or denying applications, the FDIC considers such factors as the bank's financial history and condition, its capital adequacy, its future earnings prospects, the general character of its management, and the convenience and needs of the community to be served, and — in a merger-type transaction — the effect on competition.

During 1979, the Corporation considered:

- three applications of foreign banks for U.S. branch offices;
- 166 applications of banks for deposit insurance, including 31 from State member banks which applied for continuation of insured status following voluntary withdrawal of membership from the Federal Reserve system;
- 1,437 applications to establish new branches or operate limited branch and remote service facilities; and

FDIC APPLICATIONS

	1979	1978
Deposit insurance—total	**169**	**134**
Approved	167	130
Denied	2	4
New Branches (prior consent)—total	**1,437**	**1,055**
Approved	1,434	1,045
Branch	845	680
Limited Branch	122	162
Remote Service Facility	467	203
Denied	3	10
Mergers*—total	**53**	**70**
Approved	52	65
Denied	1	5

*Certain mergers undertaken as part of internal reorganizations not included.

- 53 merger-type proposals, including three emergency cases.

All applications were approved except for two denials of insurance, three denials of branches, and one denial of a merger.

The Change in Bank Control Act, Title VI of The Financial Institutions Regulatory and Interest Rate Control Act of 1978 (FIRIRCA), effective March 10, 1979, expanded Section 7(j) of the Federal Deposit Insurance Act to give the Corporation and the other Federal banking agencies the power to deny in advance changes in control of insured banks and bank holding companies. The expanded Section 7(j) requires persons or groups buying control of an insured State nonmember bank to provide 60 days written notice to the Corporation, plus detailed personal background and financial data and information on the terms and financing of the proposed acquisition.

After considering the views of the appropriate State chartering authority, the Corporation may deny the proposed acquisition on the basis of anticompetitive considerations. The acquisition may also be barred if the financial status, competence, experience and integrity of the acquiring persons or their management might jeopardize the financial stability of the bank or prejudice the interests of the depositors. The legislation provides for the exchange of information among Federal banking agencies and provides appeal procedures for purchasers whose acquisitions have been denied. Previous requirements that banks report, with certain exceptions, loans secured by 25 percent or more of the outstanding stock of a bank to the appropriate Federal regulator remain in effect. In addition, reports previously required from banks relating to changes in chief executive officers and directors occurring within 12 months of a change in control were expanded by the 1978 legislation to include information on their past and present business and professional affiliations.

Implementation of the Change in Bank Control Act included adoption by the Corporation of a policy statement and revisions to Part 303 of its regulations. These were developed on an interagency basis and are consistent with those of the other Federal bank supervisory agencies. Both reflect policies which provide for effective administration with minimum additional burden on the marketplace, balancing the prevention of serious harmful effects of some transactions against the impact of the statute on legitimate business transactions. Authority to act on certain "prior notices" has been delegated to the Corporation's Regional Directors; however, only the Board of Directors may disapprove a notice.

During 1979, there were 469 changes in control of State nonmember banks reported to the Corporation. These changes included formations of and acquisitions by bank holding companies, transactions which occurred prior to the effective date of the Change in Bank Control Act, and other transactions not necessarily subject to the "prior notice" requirements. The Corporation accepted 148 "prior notices" pursuant to the Act. Of this total, 120 "letters of intent not to disapprove" were issued, 15 had not been acted on at year-end, nine were withdrawn and one was disapproved by the FDIC Board of Directors. In three cases the period for disapproval was purposely allowed to expire without the issuance of a "letter of intent not to disapprove." Average processing time for the 124 "prior notices" acted on during 1979 was 34.5 days. About 3,700 workhours were devoted in 1979 to evaluating and processing "prior notices."

In connection with changes in bank control, the FDIC and the other Federal bank regulators began efforts in 1979 to develop a comprehensive central data base of information on foreign investment in U.S. banks. It is anticipated that the data base will become operational in 1980.

Uniform Supervision. During 1979, the Corporation continued to make significant advances in the development of uniform supervisory policies and procedures and the elimination of duplication of regulatory effort. FDIC participation in the Interagency Coordinating Committee, which was set up early in 1977 to coordinate certain supervisory policies and procedures among the three Federal banking agencies was carried over into the activities of the Federal Financial Institutions Examination Council (FFIEC).

The FFIEC, which was created by Title X of FIRIRCA, consists of OCC, the Federal Reserve Board, the Federal Home Loan Bank Board, the National Credit Union Administration and the FDIC. The Council established five task forces to work on development of a common monitoring system for banks; coordination of supervisory activities; uniform administration of consumer protection laws and regulations; common data gathering systems; and common educational programs. Projects completed by the various task forces and approved by the Council are detailed in the FFIEC's annual report. They include a uniform interagency system for rating financial institutions; joint regulations and reporting requirements under the International Banking Act; procedures for coordination of formal corrective actions and bank holding company inspections and subsidiary bank examinations; a proposed policy on credit life insurance sales by lenders; and policies on uniform disclosure of enforcement actions, payment of bank employees' membership fees and dues in private clubs that discriminate, and the purchase and sale of U.S.-guaranteed loans.

The uniform system for rating banks and thrift institutions and identifying those with problems makes it possible to reconcile differences among credit unions, savings and loan associations, mutual savings banks and commercial banks to achieve uniformity and consistency in evaluating their soundness and their compliance with law. While ratings for individual institutions are not made public or given to the institutions examined, a uniform rating system permits a better comparison of the varied aggregate data regularly made available by the five agencies.

Shared national credits are those loans aggregating $20 million or more to one borrower which are participated in or shared by two or more banks. During 1979, the FDIC continued its participation with the OCC and the Federal Reserve Board in an annual review of these credits. The review and classification of shared national credits, conducted independently of regular examinations, is the responsibility of specially-selected joint examiner teams assigned to the lead bank or agency for such credits. Ordinarily, shared national credits are reviewed only on an annual basis; however, any participating bank involved may request, through its lead bank, that an interim review of an individual credit be conducted. The appraisal assigned at the lead bank, including any adverse classification, is applicable to all participations of such credit held by any national, State member or State nonmember insured bank, and remains in effect until the next regular annual review or subsequent change resulting from an interim review. A total of 271 insured State nonmember banks participated in shared national credits in 1979.

The FDIC, the OCC, the Federal Reserve and the Conference of State Bank Supervisors jointly issued on May 7, 1979, a revised statement on classification of bank assets and appraisal of securities in bank examinations, including amended rules for assessing bank holdings of municipal general obligations. The statement is a revision of the Uniform Agreement on the Classification of Assets and Appraisal of Securities Held by Banks issued in 1938 and revised in 1949. The revision (1) provides expanded definitions of "Substandard," "Doubtful," and "Loss" categories used for criticizing bank assets; (2) sets guidelines for examiners to follow in distinguishing investment quality from subinvestment quality securities in bank portfolios; and (3) restates guidelines for examiners to use in computing a bank's net sound capital. The revised Uniform Agreement also provides an exception to the general rules for appraisal and classification of municipal general obligation securities in bank portfolios.

The three Federal bank regulatory agencies issued a joint policy statement on November 15, 1979, setting forth precautionary rules and specific guidelines for commercial and mutual savings banks that engage in futures, forward and standby contracts for U.S. government and agency securities. The policy statement, which is to become effective on January 1, 1980, said that banks that engage in these contracts should do so in accordance with safe and sound banking practices, with levels of activity reasonably related to the bank's business needs and its capacity to fulfill its obligations under these contracts. It also provided a set of guidelines that should be followed by banks authorized to participate in these markets. The statement noted that the agencies will closely monitor bank transactions in financial futures, forward and standby contracts. Depending on what this monitoring discloses, it might be necessary to establish position limits or take other supervisory precautions against unsafe or unsound practices.

ENFORCEMENT PROCEEDINGS

If a supervised bank does not correct an unsafe or unsound practice or a violation of a law, rule, regulation or written agreement with the FDIC, the Corporation may initiate a cease-and-desist proceeding. If the bank does not comply, the FDIC may seek enforcement in a U.S. District Court or levy a fine.

The FDIC may issue cease-and-desist orders under Sections 8(b) and 8(c) of its Act. During 1979, the Board of Directors authorized 59 such actions, resulting in 37 final orders under Section 8(b) and six temporary orders under Section 8(c). In addition, 15 final orders were issued covering cease-and-desist proceedings begun in 1978. The FDIC also brought one enforcement action in 1979 against a bank in the appropriate United States District Court for violation of Section 8(b) orders.

The Corporation is making greater use of its authority to issue cease-and-desist orders to achieve correction of certain weaknesses in banks. It first used the authority in 1971 and from 1971 through 1975 issued 37 orders. In the last four years it has issued 176 orders under Sections 8(b) and 8(c). During 1979, seven cease-and-desist orders were issued to correct violations of various consumer-oriented laws and regulations. Another 51 orders were issued primarily to correct unsatisfactory financial conditions or management practices.

FIRIRCA expanded the Federal bank

supervisors' authority under Section 8(b) to also permit cease-and-desist orders against bankers and fines of up to $1,000 per day on both banks and bankers for certain violations. No fines were levied during 1979.

The FDIC may initiate termination-of-insurance proceedings under Section 8(a) of the Federal Deposit Insurance Act if it finds a bank is in an unsafe or unsound financial condition. If a bank does not correct deficiencies noted by the FDIC within a prescribed time period, an administrative hearing is held at which the bank can respond to the Corporation's charges. If the charges are substantiated, the FDIC may terminate the insured status of the bank. The depositors of the bank are then notified of the termination, but deposits (less subsequent withdrawals) continue to be insured for two years.

During 1979, the FDIC initiated nine termination-of-insurance proceedings by issuing Findings of Unsafe or Unsound practices and Condition and Orders of Correction. Six proceedings were still pending at year-end; the other three were made moot by two bank closings and a merger. From 1934 through 1979, action was taken under Section 8(a) against a total of 252 banks, and 246 cases had been closed at the end of 1979. In slightly less than one-half of the closed cases, corrections were made; in most of the other closed cases the banks were absorbed by other insured banks or

CEASE-AND-DESIST ORDERS AND ACTIONS TO CORRECT SPECIFIC UNSAFE OR UNSOUND PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS: 1976, 1977, 1978, AND 1979

	1979	1978	1977	1976
Actions authorized by Board of Directors	**59**	**51**	**50**	**41**
Actions in negotiation at end of year	**16**	**22**	**6**	**15**
Cease-and-desist orders outstanding at beginning of year-total	**70**	**65**	**36**	**15**
Section 8(b)	67	63	34	15
Section 8(c)	3	2	2	0
Cease-and-desist orders-issued during year-total	**43**	**31**	**39**	**26**
Section 8(b)	37	26	31	21
Section 8(c)	6	5	8	5
Cease-and-desist orders issued in actions authorized in prior year-total	**15**	**6**	**13**	**3**
Section 8(b)	15	6	13	3
				3
Cease-and-desist orders terminated-total	**40**	**32**	**23**	**8**
Section 8(b)	31	28	15	5
Section 8(c)	9	4	8	3
Cease-and-desist orders in force at end of year-total	**88**	**70**	**65**	**36**
Section 8(b)	88	67	63	34
Section 8(c)	0	3	2	2

ceased operations prior to the establishment of a date for insurance termination. In 15 cases, insurance was terminated or the bank ceased operations following the fixing of a date for insurance termination.

Under Section 8(e) of the FDI Act, the FDIC may remove an officer, director, or other person participating in the management of an insured State nonmember bank if it determines that the person has (1) violated a law, rule, regulation, or final cease-and-desist order; (2) has engaged in unsafe or unsound banking practices; or (3) breached his or her fiduciary duty. The individual's action must involve personal dishonesty or a willful disregard for the safety and soundness of the bank. Also, the action must entail substantial financial damage to the bank, or seriously prejudice the interests of the bank's depositors or the individual must have received financial gain. During 1979, two actions were taken under Section 8(e).

Section 8(g) of the FDI Act authorizes the Corporation to suspend or remove officers, directors, and other persons participating in the affairs of insured State nonmember banks who are indicted for a felony involving dishonesty or a breach of trust. One individual was suspended under this section in 1979.

Section 19 of the FDI Act prohibits anyone convicted of any criminal offense involving dishonesty or breach of trust from serving as a director, officer or employee of any insured bank without the written consent of the Corporation. In 1978 the Corporation amended Part 303 of its regulations to delegate to the Board of Review, the Director of the Division of Bank Supervision, and its Regional Directors the authority to approve certain applications under Section 19 where the subject of the request would not constitute a significant threat or risk to the safety and soundness of the applicant bank. During 1979, the Corporation considered 62 cases under Section 19, approving all but four.

PROBLEM BANKS

For the third consecutive year, the number of institutions on the FDIC's list of problem banks, which peaked at 385 in November 1976, continued to decline. By year-end 1979, the number of problem banks was 287, the lowest since mid-1975 and a net reduction of 55 for the year. The decrease is attributed to improvement in the real estate sector and in local economic conditions following the 1973-1975 recession. Because of the time lag before banks are affected by an economic cycle and the time it takes to examine banks and complete the review and analysis process, any increase in the number of problem banks stemming from unfavorable developments in the last half of 1979 might not be evident until late 1980.

The problem bank list (which includes national and both member and nonmember State banks) continues to be very fluid and most banks remain on the list for a relatively short period. During 1979, there were 198 banks removed from problem status, while 143 were added. Of those on the list at the end of 1979, 55 percent had been in problem status for 18 months or less, while only 23 percent had been on the list for more than three years. Areas of concern in these newly-designated problem banks included asset problems resulting from mismanagement and/or insider abuses, poor earnings, inadequate capital, and insufficient liquidity. While some banks have relaxed loan quality considerations in an effort to generate income to meet rising costs, other banks have experienced disintermediation problems, both of which have become matters of supervisory concern.

The FDIC divides problem banks into three categories based on the degree of insurance risk:

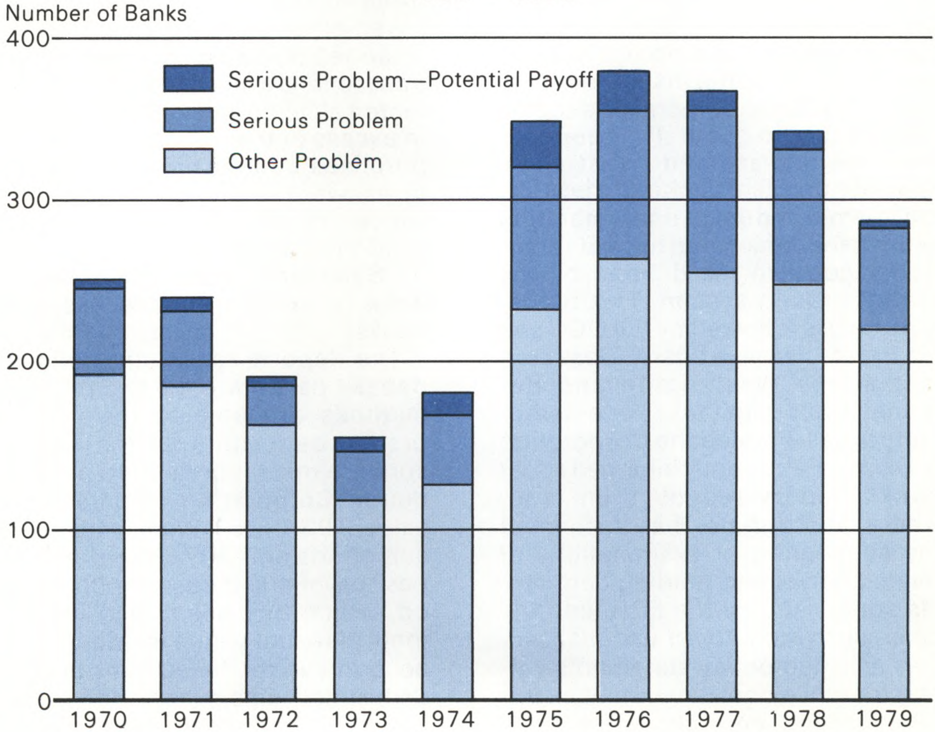
SERIOUS PROBLEM—POTENTIAL PAYOFF: An advanced serious problem situation with an estimated 50 percent or more chance of requiring financial assistance by the FDIC.

SERIOUS PROBLEM: A situation that threatens ultimately to involve the FDIC in a financial outlay unless drastic changes occur.

OTHER PROBLEM: A situation in which a bank has significant weaknesses but the FDIC is less vulnerable. Such banks require aggressive supervision and more than ordinary attention.

An analysis of the problem bank list since 1973 shows that about 34 percent of the banks once designated "Serious Problem-Potential Payoff" ultimately failed. Another 10 percent merged with other banks without financial assistance from the Corporation, while one percent were financially assisted by the Corporation. Fifty-three percent were accorded a less severe rating or removed from problem status. Each of the banks in this category at the end of 1979 held deposits of less than $50 million. The two most seri-

NUMBER OF PROBLEM BANKS
1970 — 1978



ous problem categories accounted for 67 of the problem banks at year-end 1979, a significant reduction from the 93 at the end of 1978.

Of the 287 banks on the problem list at the end of 1979, nine were affiliates of multi-bank holding companies, while 34 were owned by one-bank holding companies. Based on deposit size, banks on the problem list were distributed as follows:

Deposit Size	Number of Banks
Less than $25 million	193
$25 - $50 million	47
$50 - $100 million	24
$100 - $500 million	15
$500 million - $1 billion	6
$1 billion or more	2
TOTAL	287

Problem banks represented only about two percent of all banks insured by the FDIC.

The FDIC continues to aggressively supervise problem banks, as well as those which need more supervisory attention but do not present an undue risk to the insurance fund. During 1979, the Corporation adopted a procedure to generally require, as a minimum, cease-and-desist action against a problem bank and a less formal memorandum of understanding with a bank considered to be of supervisory concern, as defined by the uniform rating system. This procedure also is followed by the OCC and the Federal Reserve Board. Close contact at the Washington and Regional levels with these Federal regulators has enabled the Corporation to keep more currently informed about banks supervised by them and, where appropriate, has facilitated the scheduling of examinations of related banks and holding companies supervised by the FDIC and the other supervisors. At year-end, the agencies adopted policy statements calling for close coordination of examinations and enforcement actions against related institutions.

The Corporation continues to conduct more frequent examinations and visits to problem banks, to regularly meet with directors and management of such banks, and to formally notify them when their bank is recommended for problem status. Such procedures not only keep the directors of problem banks informed of the Corporation's concern, but point out their responsibilities and duties in developing and implementing corrective programs.

FAILED BANKS

Protection of Depositors. Ten insured banks with deposits totaling $111 million closed in 1979, compared to seven banks with $854 million in deposits in 1978. The FDIC has nearly completed payoffs of deposits of about $12.7 million in three of the 1979 closings. In the seven other closed banks, the FDIC arranged purchase and assumption transactions which automatically protected all accounts, including those in excess of the insurance limit. The purchase and assumption transactions were assisted by cash advances of $70.5 million from the FDIC insurance fund. In these cases $7.8 million in purchase premiums were received from the assuming banks.

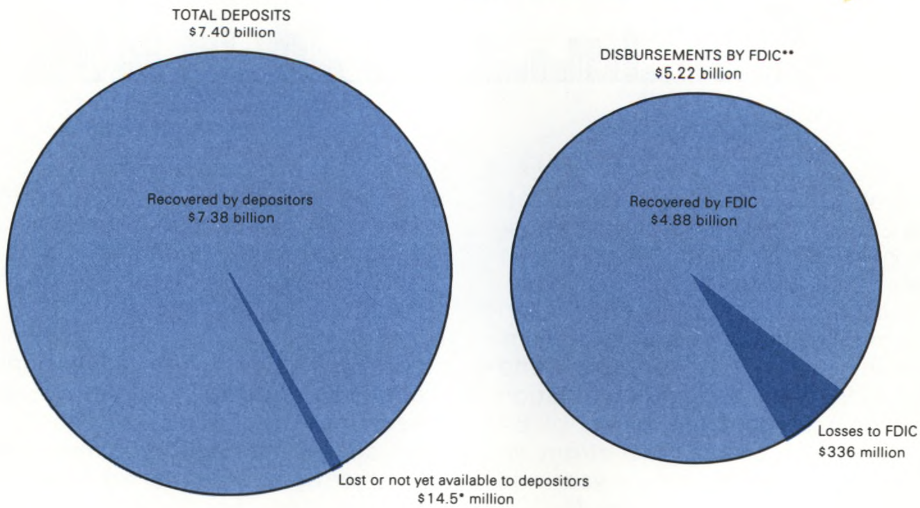
The deposit assumption and the deposit payoff are the two principal methods available to the FDIC to protect depositors. In the 558 insured bank failures that have required Corporation disbursements since 1934, 251 were deposit assumptions and 307 were direct deposit payoffs. In the assumption method, which has been used increasingly in recent years, the depositors' accounts in the failed bank become deposit accounts in the healthy assuming bank. All depositors are thereby afforded full protection with minimal or no disruption of banking services to the community. In a payoff, the FDIC pays depositors the net amount covered by deposit insurance. These payments usually begin within five to seven days of the bank closing. Payments of the uninsured portions of deposits, to the extent possible, are made over a period of time from the proceeds of liquidated assets and other sources.

The FDIC also may provide direct assistance to an operating insured bank in danger of failing to enable it to remain open if that bank is essential to maintain adequate banking services in a community. It has provided such assistance in four cases, most recently in 1976.

In the 558 failed bank cases, 99.8 percent of the depositors had received or were assured of payments of their deposits in full at the end of 1979, and 99.8 percent of the total deposits had been paid or made available to them. In the 307 deposit payoff cases, 98.8 percent of depositors had received full recovery. While the recovery of uninsured deposits varies, in the aggregate almost 97 percent of total deposits had been paid or made available. About 70 percent of the total amount already recovered by or made available to depositors in deposit payoff cases was provided by FDIC payment of insured deposits, with additional amounts provided from the proceeds of liquidated assets, offsets against indebtedness and pledged assets.

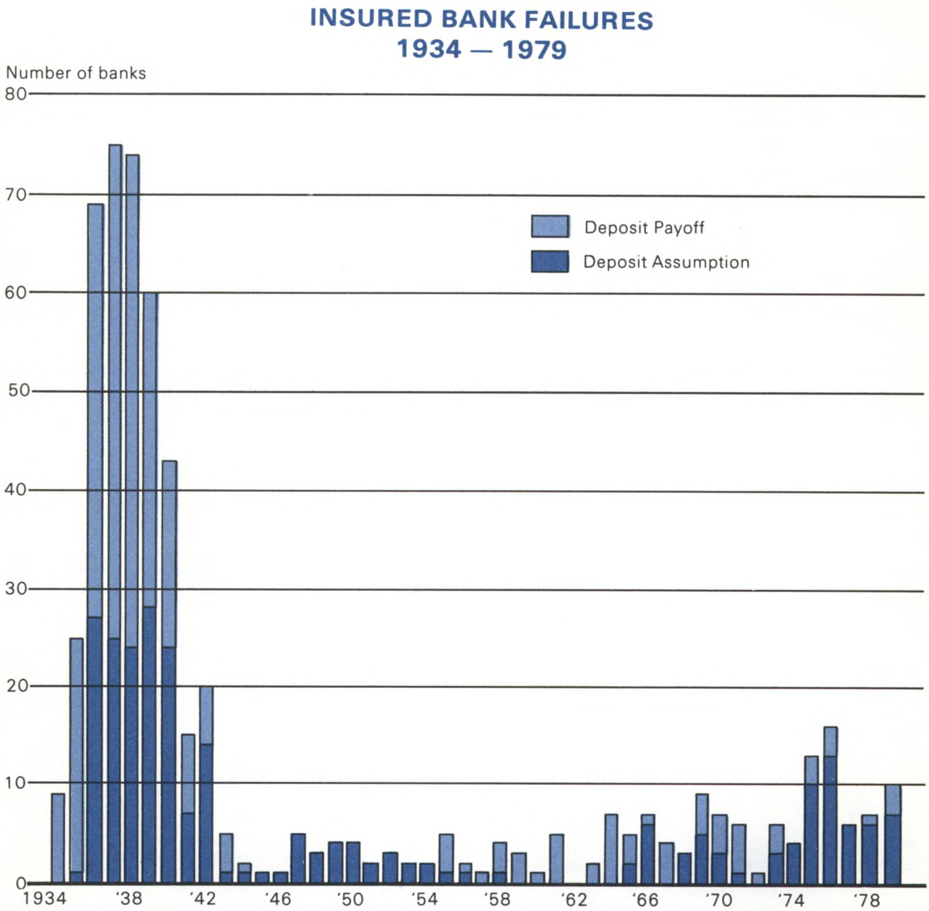
Liquidation Activities. During the 1960s, 43 insured banks with as-

DEPOSITS AND LOSSES IN ALL INSURED BANKS REQUIRING DISBURSEMENTS BY FDIC, 1934—1979



*Revised

**Includes collections and disbursements by liquidators in the field ($1.5 billion) which were previously excluded from this chart.



sets of $326.5 million failed, affecting 231,688 depositors with deposits of $283.5 million. The 1970s saw 76 insured bank failures involving assets of about $8 billion and 2.1 million depositors with deposits totaling about $5 billion. At the end of 1979, the Division of Liquidation was disposing of the assets of 84 banks in 27 States, the Virgin Islands, and Puerto Rico. At year-end 1979, there were more than 76,000 assets with a book value of more than $1.9 billion to be liquidated. About one-third of these assets were real estate related.

The FDIC's policy is to convert the assets of closed banks to cash as early as practical and to realize maximum recovery for distribution to the creditors and stockholders.

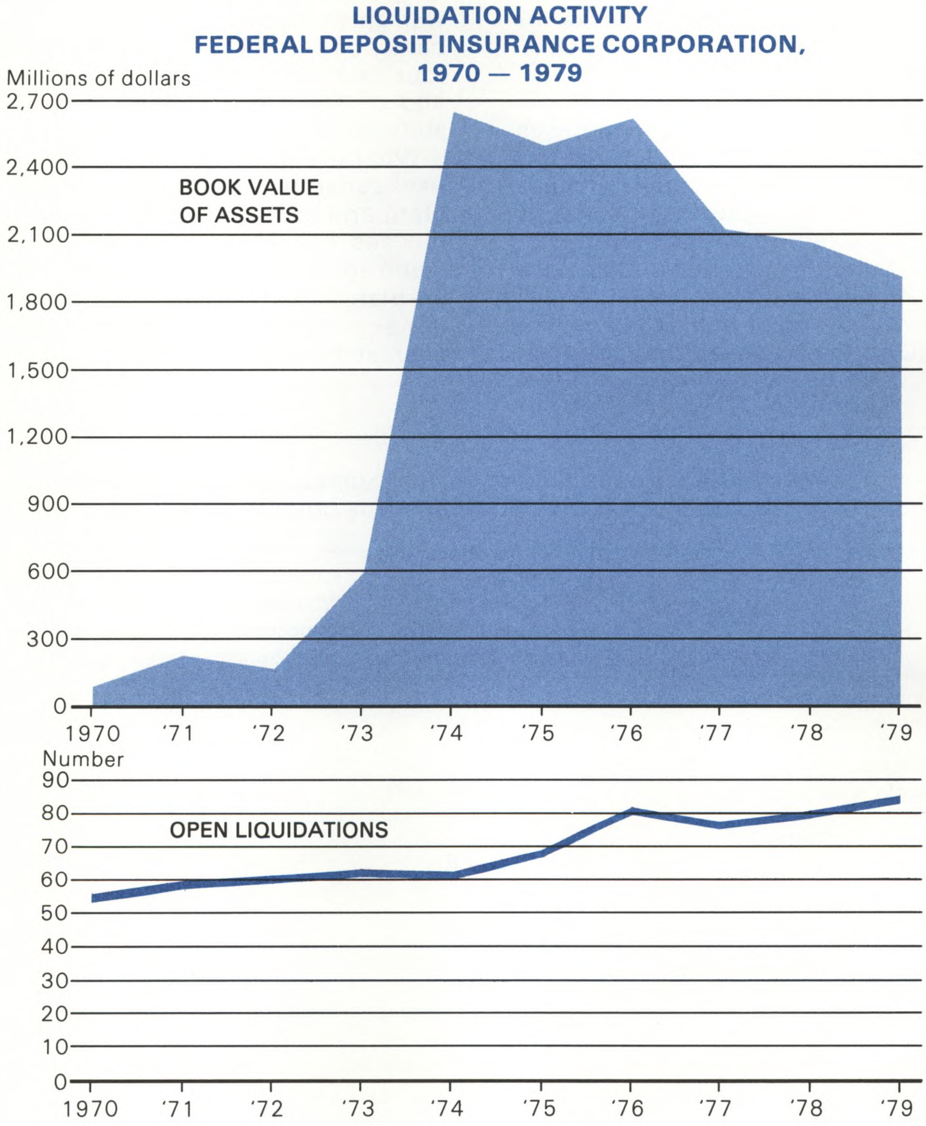
In the 53 purchase and assumption transactions in the 1970s, banks acquired about $3.6 billion of assets from the FDIC, as receiver, which had the effect of immediately recovering substantial amounts for the creditors. For the same period, the FDIC, as liquidator, collected about $3.8 billion in principal, interest and costs from the remaining assets. In addition, the receiverships recovered $325 million from purchase premiums paid by banks for the right to acquire the failed banks' deposits and banking locations.

Recovery for creditors and stockholders can also result in some cases from directors' liability actions initiated by the receiver and/or liquidator. Because many bank closings are the direct result of bank directors' failure to use reasonable care in discharging their duties or permitting violations of banking laws, the FDIC normally investigates potential negligence and files claims when warranted against members of the bank's board. In 1979, the FDIC filed four directors' liability suits; at the end of 1979, there were 26 such suits pending.

Whenever it is determined that the bank suffered losses due to the fraudulent and dishonest acts of its employees, the Corporation pursues a claim against the institution's Bankers Blanket Bond carrier. Most claims are settled without litigation. However, at the end of 1979, there were

INSURED BANKS CLOSED DURING 1979 REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION

Name and location	Date of deposit payout or assumption	Number of depositors or accounts	Amount of deposits (in millions of dollars)
Toney Brothers Bank Doerun, Georgia	January 5, 1979	1,470	5.8
Village Bank Pueblo West, Colorado	January 26, 1979	1,394	4.9
Southern National Bank Birmingham, Alabama	June 14, 1979	3,611	24.0
Bank of Enville Enville, Tennessee	June 16, 1979	949	3.1
The Guaranty Bank & Trust Company Chicago, Illinois	July 14, 1979	5,270	7.4
Gateway National Bank of Chicago Chicago, Illinois	July 14, 1979	3,700	9.2
The Farmers State Bank Protection, Kansas	September 21, 1979	1,206	4.7
Fidelity Bank Utica, Mississippi	September 28, 1979	11,911	30.2
American National Bank Houston, Texas	October 12, 1979	5,100	10.4
Livingston State Bank Livingston, New Jersey	October 12, 1979	7,226	11.1



nine such suits pending.

An important innovation in the FDIC's liquidation program developed in 1979 for introduction in 1980 is a separate budget to introduce tighter monitoring and control to this unique aspect of FDIC operations. This budget will encompass insurance fund expenditures which the Corporation seeks to recoup through liquidation operations before it writes off a loss. The 1980 budget covers costs to be incurred in 1980 in the continuing administration of banks that failed in 1979 or earlier— an active caseload of 84 banks. There is also a small contingency fund to begin closed-bank activities for failures that may occur in 1980. Individual closed-bank budgets will be developed and incorporated as failures occur.

Also, a new integrated liquidation accounting system, to become operational in January 1980, is designed to operate on computers. It will be able to produce on demand full financial statements and budget status reports for all closed-bank activities. These reports separately and together will provide much greater information for the management of banks in liquidation.

The system tested well in late 1979, but 1980 will be a year of conversion and initial operation. The Corporation will obviously need some running time and experience with the system to overcome shortcomings and introduce refinements.

The FDIC is charged with obtaining the best possible recovery in each liquidation. Its goal is to repay the insurance fund first and to return any excess to bank shareholders where a purchase and assumption is arranged or to share the recovery proportionally with general creditors and then the shareholders when the Corporation serves as receiver following a deposit payoff.

CONSUMER AND CIVIL RIGHTS PROTECTION

Resolving Complaints. Examiner monitoring of consumer and civil rights compliance by banks is complemented by the work of the Office of Consumer Affairs and Civil Rights (OCACR) which follows up complaints of individuals. OCACR also disseminates consumer protection information and in November 1979 introduced a consumer hot line which draws about 240 calls a week. This hot line helps consumers and banks by promoting better understanding and resolution of questions.

This year saw the appointments of OCACR's first permanent Director and a Community Reinvestment Act specialist. The Corporation also appointed a specialist for Spanish-speaking persons. Among other duties, this specialist oversees the translation of FDIC consumer pamphlets into Spanish. OCACR will also launch a special outreach program for Spanish-speaking persons in 1980 and will explore the possibility of other specialized outreach programs.

In 1979 the FDIC instituted a new computerized system to:
(1) follow the status and handling of consumer complaints and requests for information,
(2) produce one-page summaries of census information for use by examiners and other FDIC personnel evaluating bank compliance with the Community Reinvestment Act,
(3) summarize hundreds of letters of comment on proposed new Truth-in-Lending Guidelines, and
(4) tabulate a follow-up survey asking complainants if their problems were satisfactorily resolved.

Fair Housing. The FDIC developed and pre-tested a data collection system to provide a valid statistical basis for the monitoring of home loans under the Fair Housing and Equal Credit Opportunity Acts. This system will supplement the tools of the compliance bank examiner. It is slated to become operational during 1980.

The data collection system is designed to detect possible home loan discrimination. The relationship between inquiries and applications, between successful and unsuccessful applications, and the loan terms granted to borrowers will be categorized and compared by the race, sex, age and marital status of inquirers and applicants. Use of this system will not definitely establish the existence of illegal discrimination, but should identify for FDIC examiners those banks requiring more extensive examination and follow-up.

Mortgage Disclosure. The FDIC and the Federal Home Loan Bank Board completed a study of the Home Mortgage Disclosure Act (HMDA). The study assessed the accuracy of 44 depository institutions' HMDA statements and the cost of preparing the data on mortgage lending activity which appears in these statements.

The study concluded that home mortgage disclosure data are used extensively by the Federal financial supervisory agencies as part of their compliance examinations. However, it concluded that many institutions do not have sufficiently accurate statements. Further, the cost of compiling home mortgage disclosure data was shown to vary considerably among institutions.

The report recommended extension of the Act, which was passed in 1975 and expires in 1980 if not reenacted. The FDIC has gone on record as supporting the extension of the Home Mortgage Disclosure Act.

Truth-In-Lending Enforcement Guidelines. The FDIC, in conjunction with the other Federal financial regulatory agencies, adopted effective January 4, 1979, uniform guidelines for the enforcement of Truth In Lending Regulation Z. These guidelines call for reimbursement to customers for overcharges of $1.00 or more, or for smaller overcharges that are part of a consistent pattern of violations or result from gross negligence or willful violations of the Truth In Lending Act. Changes to simplify and strengthen the guidelines were proposed in October. Pending consideration of the nearly 800 comments received and the adoption of revised guidelines, FDIC supervised banks are temporarily being permitted to defer making such reimbursements.

Community Reinvestment. The Community Reinvestment Act (CRA) of 1977, which became effective in November 1978, requires the Corporation to monitor the records of financial institutions in meeting the credit needs of their communities, including low and moderate-income neighborhoods.

Effective February 4, 1979, the Board of Directors of each insured State nonmember bank was required to adopt a CRA statement for its local service area. FDIC regulations specify the minimum requirements for a CRA statement and, among other things, require that the current CRA statement be available for public inspection at the home office of the bank and at each office of the bank in the local community delineated in the statement, except for off-premises electronic deposit facilities. Banks are required to maintain files that are readily available for public inspection, including any signed written comments received from the public within the previous two years that specifically relate to the bank's statement or its performance in helping meet the credit needs of its community or communities.

A bank's CRA performance is taken into account by the FDIC in considering applications for deposit insurance, establishment of branches or other facilities, relocations of main or branch offices, and applications for merger, consolidation, acquisition of assets or assumption of liabilities. The assessment of a bank's CRA performance record may be a basis for denial of an application.

Twenty-five challenges to applications by FDIC-supervised banks have been filed on CRA grounds, and early in 1979 the first denial of a bank application on CRA grounds occurred. Other applications which were subjected to challenges have been approved by the Corporation and activity in this area continues to be substantial, particularly in metropolitan areas.

Right to Financial Privacy Act of 1978. The Right to Financial Privacy Act, Title XI of FIRIRCA, became effective in March 1979. The Act places restrictions on the use of information derived from bank customer records which is lawfully in the FDIC's possession. In most cases, customer information contained in examination reports can no longer be transferred to other Federal government authorities without notification to the affected customer. Also, the FDIC must be assured that the information is required in connection with a legitimate law enforcement activity. In 1979 the Division of Bank Supervision began reviewing and revising all policies and procedures which are affected by the provisions of the Act.

Consumer Complaints and Inquiries. OCACR is responsible for the appropriate disposition of consumer complaints and inquiries directed to the FDIC. During 1979 there were 2,801 complaints and 5,270 inquiries received by the FDIC

CONSUMER COMPLAINTS AND INQUIRIES, 1978 AND 1979

	1979	1978
Complaints and inquiries—total	**8,071**	**4,737**
Deposit function	**2,685**	**1,315**
Payment of interest	243	158
Account differences	377	182
Advertising	82	34
Early withdrawal penalties	745	217
Policies and practices	587	574
*Discrimination	11	—
Other	641	150
Loan function	**2,528**	**1,931**
State or contract law	163	115
Equal Credit Opportunity Act	646	543
Fair Credit Reporting Act	256	133
Individual bank loan policy	180	308
Collection and repossession	142	100
Fair housing	51	70
Truth in lending	379	183
Other Federal laws	285	48
Other	426	431
Trust services	**61**	**68**
Safe deposit—safekeeping services	**38**	**32**
Insurance coverage	**974**	**685**
General	**1,754**	**706**
***Electronic Funds Transfer**	**31**	**—**

*Category not listed for 1978.

nationwide, an increase of 538 and 2,796, respectively, over 1978. This increase is due in part to installation of a toll-free telephone number (800-424-5488) at the Washington Office to handle complaints and inquiries. The increase also is attributable to an outreach initiative to increase consumers' awareness of their rights under the various consumer protection and civil rights statutes. Most questions fielded by OCACR centered on deposit withdrawal penalties, bank deposit policies and practices, the Equal Credit Opportunity Act and the Truth in Lending Act.

Corrective action is sought in all cases where a bank error or violation of law is discovered as a result of a complaint, and follow-up action is taken to ensure compliance.

Consumer and Banker Education. During 1979, the OCACR staff made numerous presentations to consumer, community and industry groups. The FDIC also distributed more than 32 million pamphlets on consumer information. These free pamphlets are available singly to individuals and in quantity to banks and consumer organizations. OCACR also has distributed these pamphlets at consumer fairs and national conferences.

Minority Bank Development Program. In 1979, the three Federal bank regulatory agencies and the Department of Commerce were instrumental in organizing the Minority Bank Development Program. The program is designed to serve as a catalyst to coordinate, structure and encourage private sector support for the nation's minority-owned banks, of which there are about 100. The program will offer management and market development activities and foster the establishment of an independent capital support vehicle.

Opportunity Funding Corporation has been given the grant to establish, coordinate and direct all program components. An Executive Committee composed of private sector participants and the Department of Commerce will offer continuing advice on all aspects of the program and its policies and priorities. The FDIC and other bank regulators serve on an Advisory Committee which will offer training assistance, perform studies, provide feedback on the program's effectiveness and make suggestions for improvements. The FDIC's share of the funding of this program is on a year-to-year basis and future grants will depend on an assessment of the program's effectiveness. At the end of 1979, the program's management was in place and studies were nearing conclusion on criteria for selection of a few target banks for receipt of intensive assistance.

INTEREST RATE DEVELOPMENTS

Increased Interest Expense. Sharply rising interest rates and such innovations as money market certificates of deposit (MMCDs), automatic transfer service (ATS) and negotiable order of withdrawal (NOW) accounts in New York State, combined to cause marked changes in the liability structure of many U.S. banks in 1979. Banks acquired high-yielding assets, but on balance, the net effect on the industry as a whole probably was some narrowing in net interest margins.

The general level of interest rates on market securities fluctuated within a range of 9 to 10 percent in the first half of 1979, before rising sharply in the second half. At year-end, six-month Treasury bill rates were 12.50 percent on a bond-yield basis and Federal funds rates approached 15 percent. MMCD rates more than doubled over the rates available on regular passbook savings and other time deposits of less than $10,000, prompting the conversion of many deposit accounts. At commercial and mutual savings banks, holdings of MMCDs (time deposits of $10,000 or more with maturities of six months and paying a maximum rate linked to the interest rate on newly issued six-month Treasury bills) increased sharply as banks sought to compete with alternative market instruments, including money market mutual funds.

By the end of December 1979, MMCDs amounted to $34.4 billion, or more than 24 percent of total deposits at mutual savings banks, and to $103.2 billion or nearly 10 percent of total domestic deposits at commercial banks. Special tabulations from September and December condition reports showed an increase from 570 to 1,573 in the number of insured nonmember banks having ratios of MMCDs to total deposits of 20 percent or more. Banks with less than $100 million in assets headquartered outside metropolitan areas held a disproportionately large amount of these high-cost deposits.

Accenting the 1979 increase in interest expense for banks was the continuing shift of consumer funds from non-interest bearing demand deposits to interest-bearing transaction accounts: ATS and NOW balances. A substantial amount of effort is being expended through the bank monitoring systems to assess the capacity of individual bank managements to structure their loan and securities portfolios to cope with the present inflationary environment.

Mutual Savings Banks. Unprecedentedly high interest rates, especially in the latter half of 1979, subjected the mutual savings bank industry to a severe earnings squeeze. In addition, savings banks, particularly in metropolitan areas such as New York and Boston, experienced substantial deposit outflows in 1979. With increasing interest rates available in other areas, net deposit outflows excluding interest at mutual savings banks increased throughout the year and totaled $7 billion for 1979. For the month of October alone, deposit losses were well in excess of $1 billion.

The introduction of six-month money market certificates in 1978, while perhaps averting some deposit losses, sharply increased the cost of funds for mutual savings banks. Large proportions of these money market certificates represented transfers from relatively low-cost savings deposits. With relatively inelastic earnings position, the overall profitability of the industry was substantially reduced in 1979.

Reflecting a concern for the earnings squeeze and deposit outflow, with the resultant liquidity pressures, the FDIC increased its efforts to more closely monitor industry trends as well as its surveillance of individual banks.

Small Savers. In an effort to help small savers, Federal regulators moved jointly in 1979 to approve a series of interest rate regulatory changes.

Effective July 1, regulators increased the maximum passbook rate to 5¼ percent from 5 percent for commercial banks and to 5½ percent from 5¼ percent for thrifts, created a new four-year floating rate savings certificate and eliminated the minimum denomination on most time deposits.

In December, regulators created a new 2½ year certificate to replace the four-year floating rate certificate, at a yield tied to the yield on Treasury securities maturing in 2½ years. The agencies also increased the ceiling on 90 day to one-year deposits to 5¾ percent from 5½ percent for commercial banks and to 6 percent from 5¾ percent for thrifts. These actions were to become effective January 1, 1980.

INTERNATIONAL BANKING

The Corporation's increased involvement in the area of international banking continued during 1979 as evidenced, in part, by the issuance of several regulations and final as well as proposed policy statements covering aspects of this important segment of the banking business. Much of the Corporation's activity was attributable to FIRIRCA and the International Banking Act of 1978 (IBA).

To implement FIRIRCA, the Corporation adopted a new regulation, Part 347, pertaining to foreign banking activities of insured State nonmember banks. Under the regulation, an insured State nonmember bank must obtain the Corporation's consent before establishing its first branch in a foreign country or before acquiring any ownership interest in a foreign bank or other financial entity. A foreign branch is permitted to exercise certain powers beyond its general banking powers, provided they are consistent with the laws of the State where the bank is chartered and with banking practices in the foreign country where the branch is located. The regulation also sets forth requirements for establishing additional branches in a foreign country; for recordkeeping, controls and reporting on foreign activities; and for making loans, purchasing securities or investing in affiliated foreign banks or financial entities.

Another new regulation, Part 346, was issued to implement Section 6 of the IBA which, among other things, authorizes and in some cases requires, Federal deposit insurance coverage of U.S. branches of foreign banks. Under the regulation, a State branch of a foreign bank which accepts initial deposits of less than $100,000 must become insured if it is located in a State that requires State banks to have deposit insurance. A branch may be exempted from this requirement if the acceptance of initial deposits of less than $100,000 is limited to one or more exempt categories listed in the regulation. A branch which is exempted by the regulation from the insurance requirement must notify its depositors that deposits in the branch are not insured.

The regulation also sets forth requirements for the operation of insured branches, including — but not limited to — furnishing the Corporation with information regarding the overseas activities of the foreign bank and its affiliates to the extent allowed by foreign law; allowing the FDIC to examine all offices of the foreign bank and its affiliates in the U.S.; pledging assets to the Corporation; and maintaining assets payable in the U.S., in dollars or a freely-convertible foreign currency, at least equal to the amount of the insured branch's liabilities. In addition, the regulation establishes rules for the operation of insured and uninsured branches in the same State.

During the year, 14 foreign banks applied for insurance for 26 branches located in various parts of the country. At year end, insurance had been granted to three branches of two banks.

Since the IBA granted supervisory responsibilities to each of the Federal bank regulatory agencies, a joint policy statement was issued through the FFIEC on the supervision of U.S. branches and agencies of foreign banks. The agencies' supervisory operations will be aimed at assuring the safety and soundness of these institutions and their adherence to U.S. law and regulation. To ensure close cooperation with State authorities, a uniform examination approach has been developed through the FFIEC to minimize dual examinations and to facilitate joint Federal-State examinations, when desirable.

The Federal regulatory authorities, through the FFIEC and in cooperation with affected State authorities, also have developed joint reporting requirements for U.S. offices of foreign banks. In recognition of the reliance of these offices on the financial strength of their parent and affiliated offices outside the U.S., the regulators also will seek assurance that the parent institutions are financially sound. To this end, the agencies plan to collect information on the consoldiated operations of the foreign banks and will continue to engage in dialogue with senior management of the banks and bank supervisory authorities of other nations.

In recognition of the importance of overseas lending activities of U.S. banks, the Corporation and other banking agencies have continued to follow uniform procedures for evaluating and commenting on country risk factors in the international loan portfolios of U.S. banks. Country risk in bank lending refers to the possibility that economic, political or social conditions in a country might create a situation in which borrowers in that country would be unable to service or repay their debts to foreign lenders in a timely manner.

The uniform procedure requires examiners to segregate country risk factors from the evaluation of other lending risks and to assess a bank's ability to analyze and monitor country risk in its international lending. The assessment emphasizes diversification of exposure to individual countries as the primary method of moderating country risk in international portfolios. Examiners classify a bank's aggregate credits to a country on the basis of country risk only when there has been an interruption in debt servicing or one is considered imminent. The commercial credit risks in the bank's international portfolios continue to be assessed on an individual loan basis in accordance with traditional standards of credit analysis.

To help monitor the growth and composition of the international loan portfolios of U.S. banks, the Corporation receives the results of the semi-annual Country Exposure Report. The report is mandatory for any domestic bank with a foreign branch, a foreign subsidiary, or an Edge Act or Agreement corporation (branches of national banks established with Federal Reserve approval in foreign countries to finance and stimuiate foreign trade) with aggregate foreign claims in excess of $20 million. It is intended to capture data on foreign credit activity of U.S. banks in all countries, by type of borrower and maturity of claims. Banks are also required to report firm commitments to extend additional credit in any country.

The Corporation, through the FFIEC, in 1979 issued a proposed Statement of Policy Concerning Minimum Standard for Documentation, Accounting and Auditing of Foreign Exchange and Money Market Operations of Commercial Banks. The intent of the policy statement is to reinforce existing accounting procedures and auditing practices widely utilized by commercial banks in monitoring and controlling foreign exchange and money market activities. The policy statement emphasizes the need for timely and accurate internal reporting so that bank boards of directors, senior management and government supervisors can manage and supervise this increasingly important aspect of international banking activity.

Because of the Corporation's increased involvement in international banking, an effort has been made to enhance the staff's expertise in this area. A number of examiners have attended specialized courses and seminars in international banking. In cooperation with the other two Federal banking agencies, the Corporation participated in 1979 in a two-week basic course in international banking. Additional international banking courses are expected to be conducted in 1980 under the auspices of the FFIEC. The Corporation also filled a staff position in its Washington Office having specific responsibility for focusing on international activities of domestic banks and domestic operations of foreign banks.

REPORTS AND SURVEYS

During 1979, the FDIC staff was involved in the development of bank reports, largely required by statute, and as participants in the activities of the FFIEC. Among these were reports for U.S. branches and agencies of foreign financial institutions initiated pursuant to the International Banking Act of 1978. As required by FIRIRCA, reports were also developed for the disclosure of loans extended to certain bank employees and stockholders by the employing bank or its correspondent banks.

The staff provided analytical support to promote interagency uniformity in bank report instructional materials, in the publication of statistics, and in the further development of automated bank surveillance systems and reports related to such systems.

Surveys were initiated for monitoring money market certificates and automatic transfers from savings accounts. FDIC staff also participated in the establishment of a new weekly survey of selected nonmember banks for data to be used by the Federal Reserve in estimating the nonmember bank component of the nation's money supply.

A new Report of Condition and a new Report of Income were introduced in 1979 for mutual savings banks. The Report of Condition continues to be collected quarterly, while the Report of Income, which was previously collected at the end of the year, now is collected on a semi-annual basis. These revisions to the reports, which had not been changed for a number of years, were designed in part to provide additional information to achieve an effective integrated monitoring system for mutual savings banks. Work on the system has progressed and it is expected to be operational early in 1980.

BANK SECURITY

Part 326 of the FDIC's Rules and Regulations implements the Bank Protection Act of 1968. It prescribes minimum standards for the installation, maintenance, and operation of security devices; procedures to discourage external bank crimes; and guidelines and procedures to assist in the apprehension of persons committing those crimes. Similar regulations were adopted by the other Federal bank regulatory agencies.

Part 326 requires banks to file Reports on Security Devices and Reports of Crime with the appropriate FDIC Regional Offices. The Corporation received 1,451 Reports of Crime in 1979, up from 1,186 in 1978. During 1979, FDIC and the other Federal bank regulators began discussions on a joint proposal to amend the implementing regulations of the Bank Protection Act. Substantive changes being considered include reducing or simplifying reporting requirements for banks.

The upsurge of white collar crime experienced by the banking industry in recent years began to erode the availability of fidelity insurance for many banks. To combat this trend, the FDIC participated in the development of the Controlled Group Bonding Plan sponsored by the

American Bankers Association. The plan, which gained acceptance in many States in 1978, is designed to provide banks with adequate fidelity and surety coverage while also providing the insurer a reasonable return on his risk investment. Banks participating in the plan must agree to engage an approved examining firm to conduct an in-depth examination of their internal controls. Conversely, participating insurers agree to give special consideration to underwriting fidelity coverage for participating banks. The objective of the plan is to reduce the risk of bank losses arising from the dishonest acts of bank directors, officers and employees.

SECURITIES ACTIVITIES

Registration and Reporting. The Corporation administers and enforces the registration and reporting provisions of the Securities Exchange Act of 1934 for insured nonmember banks. These provisions are applicable to banks with more than $1 million in assets and 500 or more holders of any class of equity security. Such banks are required to file an initial registration statement and periodic reports, as well as a special report covering any material event which occurred in the preceding month.

To comply with the Corporation's regulation, any matter presented for a vote of security holders must be effectuated through a proxy statement, or through an information statement if proxies are not solicited. Where directors are to be elected, the proxy or information statement must be accompanied or preceded by an annual report disclosing the financial condition of the bank. Officers and directors of a bank whose securities are registered and any person or related group of persons holding more than five percent of such securities must report their holdings and any changes in their holdings to the Corporation. All required statements and reports filed with the Corporation under the Securities Exchange Act are public documents and are available for inspection at the Corporation's headquarters and elsewhere.

At the end of 1979, there were 396 banks registered with the FDIC, compared to 377 in 1978.

Municipal Securities Dealer Activities. As of December 31, 1979, 54 State nonmember banks or their departments were registered as municipal securities dealers. All municipal securities dealers are subject to rules promulgated by the Municipal Securities Rulemaking Board (MSRB). During 1979 the FDIC's reporting schedules were revised to comply with newly adopted and amended MSRB Rules and comprehensive examination guidelines were developed.

Lost and Stolen Securities Program. The Corporation shares enforcement responsibility with the Securities and Exchange Commission for Rule 17f-1 which established a national computer-assisted reporting and inquiry system for lost, stolen, counterfeit and forged securities.

After a pilot period of about a year and a half, the program and Rule 17f-1 became permanent on July 1, 1979. All insured banks and brokers, dealers and other securities firms are subject to the rule and are required to register with the Securities Information Center, Inc., (SIC), Wellesley, Massachusetts. The lost and stolen securities program creates a central data base at the SIC of reported thefts and losses. Banks are required to validate certain securities coming into their possession by checking with the SIC; all missing, lost, stolen or counterfeit securities must be reported to the SIC.

The objective of the program is to identify and thereby reduce traffic in such securities. Examination procedures were revised in 1979 to accommodate these added responsibilities and to assure compliance by banks supervised by the FDIC.

Offering Circular Policy Statement. The issuance of securities by banks is subject to the antifraud provisions of Federal securities laws, which require full and adequate disclosure of material facts. On July 2, 1979, the Corporation issued a statement of policy outlining the minimum standards for the disclosure of material facts in connection with the offer and sale of bank securities by insured State nonmember banks. The statement of policy is designed to acquaint banks with their legal exposure when offering securities for sale and to promote greater awareness of their responsibilities under the antifraud provisions of Federal securities law.

In general, a filing requirement for offering circulars is not imposed by the Statement of Policy. However, submission of circulars for review by the FDIC staff is encouraged. The Corporation continues to require the use of offering circulars by banks that are subject to orders under Section 8 of the Federal Deposit Insurance Act. The Corporation also will review whether public investors have been provided sufficient disclosure of material facts by any State nonmember bank which is in organization. The staff of the Corporation is available for consultation and assistance.

LEGAL ACTIVITIES

The Legal Division has wide ranging responsibilities within the Corporation, including regulations, enforcement actions and liquidation litigation.

The Legal Division initiated a major effort in the fall of 1979 to reduce costs of closed-bank lawsuits, including the fees of outside attorneys. The FDIC is at present involved in more than 5,000 lawsuits connected with liquidation and other closed-bank matters.

A computer program is being developed to help FDIC staff attorneys better supervise and evaluate the performance of outside attorneys. The program, scheduled for introduction in the spring of 1980, is intended to allow FDIC staff attorneys to increase their participation in liquidation matters and perform certain work for which FDIC has been paying private firms.

In addition, the General Counsel has established further guidelines for selection of outside counsel. These guidelines, aimed at achieving broader representation, include: (a) the same law firm usually will not be hired as lead local counsel on more than one liquidation simultaneously pending; and (b) when feasible, at least two firms will be used in each liquidation.

Fees paid by the FDIC to outside counsel are dependent on the number of bank failures, the size of those banks, and the nature and complexity of the litigation they generate.

New steps for cost-effective representation do not mean a sacrifice in quality. The Corporation continues to be committed to hiring top flight lawyers to handle liquidation matters. It takes good lawyers to get good results, and that is to the benefit of the Corporation, depositors, creditors and shareholders of the banks whose assets are being liquidated.

Besides these improvements in procedures, the Legal Division has advantageously diminished its caseload. The major part of the Franklin National Bank securities litigation, which is a significant portion of the largest and most complex liquidation in the FDIC's history, was settled in December 1979.

In addition to monitoring the work of outside attorneys, the Legal Division was faced with a demanding in-house workload in 1979. Staff attorneys drafted 13 final rules to implement FIRIRCA.

The Legal Division is continuing an exhaustive review of existing regulations in support of an effort to reduce the regulatory burden and paperwork. The Chairman has designated a full time task force for this effort. In 1979 the Corporation eliminated six regulations, issued a policy statement in lieu of one proposed regulation and substantially reduced two other regulations. This is an effort that will continue in 1980.

Evaluating comment on proposed regulations by the industry and the public is a major task. In 1979 the Corporation received more than 1,500 such letters.

Staff attorneys also drafted the final regulation to implement the International Banking Act. The undertaking required innovation and imagination because the law gives the FDIC an assignment in a new area.

Finally, the Legal Division served as the FDIC's formal enforcement arm in handling the various cease and desist, removal and insurance termination cases described under "Enforcement Proceedings."

RESEARCH ACTIVITIES

The FDIC experienced continuing strong demand in 1979 for support and assistance by its research organization.

The Division of Research continuously monitors developments in the financial industry and the economy and assesses the implications of existing and proposed regulations, proposed legislation and virtually all policy issues that will require consideration by the FDIC Board.

Some of the economic and financial subjects studied this year were deposit insurance reform, new or modified types of deposit accounts, the condition of commercial and mutual savings banks, operations of foreign banks in the U.S., rising inflation and interest rates, State usury ceilings, prospects for the housing industry, Federal Reserve membership, and the impact of payment of interest on transaction accounts (NOW accounts, automatic transfer accounts, telephone transfer services, etc.).

In addition to conducting economic and financial studies of direct policy interest to the Board of Directors, the Division of Research assisted in activities of other parts of the Corporation, such as: an evaluation of bank capital adequacy; the current environment and prospective developments in electronic fund transfer systems; the effectiveness of cease-and-desist orders in correcting unsafe and unsound banking practices; an assessment of current and prospective activity by commercial banks in financial futures markets; and studies of financial considerations in the disposition of acquired assets and liquidation accounting procedures. Research personnel also assisted the Legal Division as consultants or expert witnesses in legal suits involving the Corporation.

Major interagency activities involved analyses for three task forces created by Congress or the President. These task force studies addressed deposit interest rate ceilings and housing finance (Regulation Q), branching by financial institutions (McFadden Act) and the treatment of U.S. banks by other nations (National Treatment). The staff also participated in a Department of Commerce task force on the role of government in the electronic fund transfer field.

A major study that required a coordinated effort on the part of a number of Corporation divisions and offices was an analysis of capital adequacy in the banking industry. An internal task force was formed in June 1978 to study the issue of capital adequacy. The task force addressed two broad questions:

(1) Is there a capital problem in the industry, and, if so, how severe is it?

(2) What are the alternative solutions for dealing with the bank capital situation?

These questions obviously encompass many of the policy considerations that bank supervisors deal with every day. Phase I of the study, which was completed in September 1979, concluded that, despite the extended declining trend in capital ratios for the industry, the smaller capital margins have not imperiled the safety and soundness of banks. The report set forth the need for constant review of regulatory policies in light of the impact of changing risks on the capital position of banks. This assessment of the bank capital situation included, along with the important safety and soundness aspects, the implications for the structural and competitive prospects for banks in an increasingly complex financial environment.

Phase II of the study is focusing on alternative solutions to the bank capital situation. It is specifically addressing capital standards, the role of subordinated debentures, and holding company capitalization of subsidiary banks.

COMPUTER MANAGEMENT SYSTEMS

Computer services generally continued to play an expanding role in FDIC operations in 1979 under the supervision of the Division of Management systems and Financial Statistics (DMSFS). National banks were added to the FDIC's system of processing Reports of Condition and Income of 9,200 State nonmember banks, involving an additional 4,600 reports, including the more complex reports of larger banks. National bank reports were transferred from the OCC to the FDIC to achieve the savings, efficiency and consistency of a single system. The FDIC absorbed the cost. Hereafter, the FDIC will handle all requests for national as well as State nonmember bank data. The Federal Reserve collects corresponding data for State member banks and provides this information for incorporation into the FDIC data base.

The FDIC's Integrated Monitoring System (IMS) performs certain basic tests from data submitted by banks in their Reports of Condition and Income. These tests measure a bank's capital adequacy, asset quality, liquidity, asset and liability mix and growth, and profitability. If a bank fails one or more of the tests, further analysis of additional data available from the system is performed. Where analysis indicates an adverse condition or a potential problem, appropriate supervisory action is initiated. The IMS enables the Corporation to identify with greater accuracy banks, or particular aspects of a bank's operation, that merit closer supervisory attention, thereby allowing swifter and more effective response.

In 1979 the Comparative Performance Report (CPR) served to supplement the IMS reports distributed to FDIC examiners and financial analysts. This report was a revision of the Comparative Performance Tables the FDIC regularly has sent to all insured banks since 1967, and shows both individual bank data and peer group data based on information from Reports of Income and Condition. A similar report for year-end 1979 is to be sent to insured nonmember banks and to examiners and financial analysts for their use with IMS information.

The Corporation expects to achieve further savings and efficiency by sharing its processed bank data base with Federal and State authorities through a teleprocessing system. Seven States and the OCC are already connected, and the Federal Reserve Board is expected to have its link by March 1980. The New York Banking Department is proposing to dispense with its separate Report of Condition and Income in favor of the one its banks file with the FDIC. Michigan authorities are seeking approval of a simplified examination report made possible by the tie-in to the FDIC computerized data base.

The system aids supervision by giving FDIC Regional Offices immediate access to the bank data base and to the bank monitoring system. This permits improved scheduling of bank examinations and more effective bank examinations because examiners can focus their attention on particular areas of concern. The system adapts quickly to special monitoring requirements and provides a range of financial analysis facilities that assist in special studies and further improvement of the bank monitoring system.

DMSFS will seek ways to improve internal Corporation management systems in 1980. The division will provide computer support next year for refinement of the new liquidation accounting system, implementation of the new system for tracking outside legal fees involved in closed banks, and development of a new recruiting system for examiners. A new payroll accounting system is also in the planning stage for 1980.

Accounting Standards and Instructions. The quality of financial reporting by the banking industry is of utmost concern to the Corporation, since it is integral to decisions made in furtherance of the FDIC's various statutory responsibilities. The Corporation recognizes that financial statements of banks should reflect business and economic reality. Accordingly, representatives from the Corporation cooperate with other Federal agencies and professional organizations in continuous efforts to evaluate financial reporting requirements and to improve the quality of data provided to the public and the Corporation by insured State nonmember banks.

SPECIAL SERVICES

The Office of Legislative Affairs (OLA) includes the Office of Information, which is the Corporation's main point of contact with the public and the news media. In 1979 the Office of Information responded to an average 100 telephone calls and 150 written requests each day. The Office is responsible for the preparation and distribution of letters to banks and FDIC staff describing proposed or adopted regulations or policies, the Corporation's annual report, news releases and other literature describing FDIC operations and procedures.

The information Office also works jointly with the Office of the Executive Secretary in administering the Corporation's reporting service on the FDI Act and regulations and related statutes.

The Office of Legislative Affairs is also responsible for receiving and obtaining responses to Congressional correspondence and telephone inquiries and for coordinating other communications with Congress. In addition, the Legislative Counsel in OLA responded to 33 requests in

1979 from Congress and 19 from the Office of Management and Budget for detailed and in some cases extensive comments on proposed legislation and to numerous other requests for information.

The FDIC Office of Corporate Audits performed 53 audits of various aspects of Corporation activities in 1979, one more than in 1978. Audits are designed to determine whether financial, fiscal and accounting operations are properly conducted and fairly presented, whether laws and regulations are complied with, and whether resources are managed efficiently and desired objectives met.

The Office of the Executive Secretary performs corporate secretarial functions, such as issuing notices of all meetings of the Board of Directors and the FDIC's standing committees, recording all votes and minutes of these meetings, maintaining an index of all official actions of the Corporation, publishing in the *Federal Register* notices of proposed or final rulemaking, and receiving the thousands of public comments on proposed regulatory actions.

In 1979 the Executive Secretary's staff performed secretarial functions for 116 Board meetings. The Office also provided the necessary staff coordination for 17 proposed regulatory actions on which public comment was received.

The Office of the Executive Secretary administers Corporation compliance with the Freedom of Information Act, the Government in the Sunshine Act and the Privacy Act of 1974. It also performs editorial functions in connection with the FDIC's loose-leaf reporting service on laws, regulations and related materials.

In addition, the Executive Secretary serves as the Corporation's Ethics Counselor under the Ethics in Government Act of 1978 and FDIC's own regulations. This official also serves as the Corporation's Records Management Officer.

The Office of the Controller is responsible for the preparation of both the administrative and the liquidation budgets and for all accounting functions. The Controller's office also performs a number of important additional functions, including headquarters building services, printing and mailing, telecommunications, purchasing, library services and administration of assessments. A major function of the Controller's Office is management of the FDIC insurance fund which totaled $9.8 billion at the end of 1979, up $1 billion from 1978. All FDIC uncommitted cash is invested in U.S. government securities.

PERSONNEL

Board of Directors. The FDIC is headed by a three-member Board of Directors, including the Comptroller of the Currency who acts as an ex-officio member. Two of the directors are appointed by the President with the advice and consent of the Senate for six-year terms, and one is elected Chairman by the Board. The Comptroller is also appointed by the President, but for a five-year term.

Mr. Irvine H. Sprague succeeded Mr. George A. LeMaistre as Chairman of the Board of Directors on February 7, 1979. Mr. John G. Heimann, Comptroller of the Currency, had served as the Acting Chairman since Mr. LeMaistre's retirement on August 15, 1978. Chairman Sprague previously served as a member of the Corporation's Board of Directors from September 27, 1968, until February 15, 1973.

Director William M. Isaac continued to serve his term as a member of the Board of Directors. Comptroller Heimann continued to serve as an ex officio member of the Board of

Directors.

Employees. The employment of the Corporation decreased by 179 in 1979, to a year end total of 3,598. Turnover in FDIC employment for the year was 13.4 percent (including 9.4 percent for bank examiners), compared to an estimated government-wide turnover rate of nearly 25 percent.

Average grade and salary of the FDIC workforce in 1979 were GG-9.4 and $19,958.

The Corporation's Office of Personnel Management oversees employee benefits, recruiting and hiring, and position management and classification. The Office of Employee Relations administers the Corporation's equal employment opportunity and labor relations programs.

The Corporation continued to improve its record in hiring women and minorities this year. In the General-Graded Workforce, women employees increased to 30.5 percent in 1979, up slightly from 30.1 percent in 1978. Minorities represented

NUMBER OF OFFICIALS AND EMPLOYEES OF FEDERAL DEPOSIT INSURANCE CORPORATION DECEMBER 31, 1978 AND 1979

Unit	Total		Washington office		Regional and field office	
	1979	1978	1979	1978	1979	1978
Total	**3,598**	**3,773**	**956**	**1,201**	**2,642**	**2,572**
Directors	2	2	2	2	0	0
*Executive Offices	15	32	15	32	0	0
Legal Division	100	105	83	86	17	19
Division of Bank Supervision	2,521	2,648	159	376	2,362	2,272
Division of Liquidation	432	459	186	194	246	265
Division of Management Systems and Financial Statistics	187	191	187	191	0	0
Research Division	25	31	25	31	0	0
Office of the Controller	181	186	164	170	17	16
Office of Corporate Audits	33	34	33	34	0	0
Office of Consumer Affairs and Civil Rights	19	13	19	13	0	0
Office of Employee Relations	8	9	8	9	0	0
Office of Personnel Management	44	46	44	46	0	0
Office of Legislative Affairs	16	5	16	5	0	0
**Office of Executive Secretary	15	12	15	12	0	0

*Office of Executive Secretary included in Executive Offices in 1978.

**Office of Information included in Office of Legislative Affairs in 1979.

14.8 percent of the General-Graded Workforce, compared to 14.3 percent the previous year. Women in bank examiner jobs (including student assistants) assigned to the 14 regions increased from 13.4 percent to 13.8 percent and minorities in such positions increased from 8.2 percent to 8.5 percent.

A Chairman's Task Force is seeking ways to improve opportunities for women and minorities and considering other reforms such as part time employment opportunities.

Personnel Administration. The FDIC in 1979 adopted several important new personnel policies and programs. These included policies governing leave usage, probationary periods for supervisors and managers, and inhouse and outside training. Position management and classification projects included: implementation of a new pay system for all field liquidation support personnel, completion of a two-year study of the management structures of the 14 Regional Offices, a study of the levels of duties and responsibilities of field office supervisor positions, and institution of an annual review of all Corporation position descriptions for accuracy and completeness.

This was the first full year of operation under a new merit promotion program and a new incentive awards program, both of which were adopted in 1978. The Corporation in 1979 processed 318 selections under the new internal placement program and granted 40 monetary incentive awards. At the Corporation's Awards Ceremony on December 19, 1979, 104 employees were recognized for 15, 25, 35 and 40 or more years of service. Also, three employees received special honorary awards:

Chairman's Award Betty L. Freese
Exceptional service by a non-examiner employee

Edward J. Roddy Award Lewis C. Beasley
Exceptional service by an examiner

Nancy K. Rector Award Terryl L. Paiste
Exceptional service of a humanitarian nature

Examiner Training. The Corporation conducts a comprehensive training program designed to maintain a highly-qualified, well-informed examiner staff. During 1979 more than 2,200 students received training in such areas as bank examination fundamentals, accounting and auditing techniques, credit appraisal, management and supervision, financial analysis, consumer and civil rights compliance, examination of computerized banks and trust department examinations. Programs are conducted in the Division of Bank Supervision's modern training center located in Rosslyn, Virginia.

In addition to FDIC examiners, about 270 students from State Banking Departments, foreign governments and other Federal agencies participated in FDIC-sponsored training progams during the year.

Six programs involving 208 students were held in 1979 under the aegis of the Federal Financial Institution Examination Council. It is anticipated that such training will be expanded into areas as consumer protection, white collar crime and international banking during 1980.

FINANCES OF THE CORPORATION

Deposit Insurance. Federal deposit insurance covers the aggregate deposits of individuals and businesses in each insured bank up to $40,000 and Individual Retirement Accounts and Keogh accounts up to $100,000. Time and savings deposits held by government units (except deposits in out-of-State banks) are insured up to $100,000 for each depositor. On December 31, 1979, more than 97 percent of all commercial banks in the United States and about 70 percent of all mutual savings banks were covered by Federal deposit insurance.

Deposit Insurance Fund. The Corporation's deposit insurance fund provides the basic resource for the protection of depositors. It is the excess of the Corporation's assets over its liabilities and represents the net income accumulated since the beginning of deposit insurance in 1933. Should additional funds ever become needed, the Corporation, under authority granted but never exercised, may borrow up to $3 billion from the U.S. Treasury.

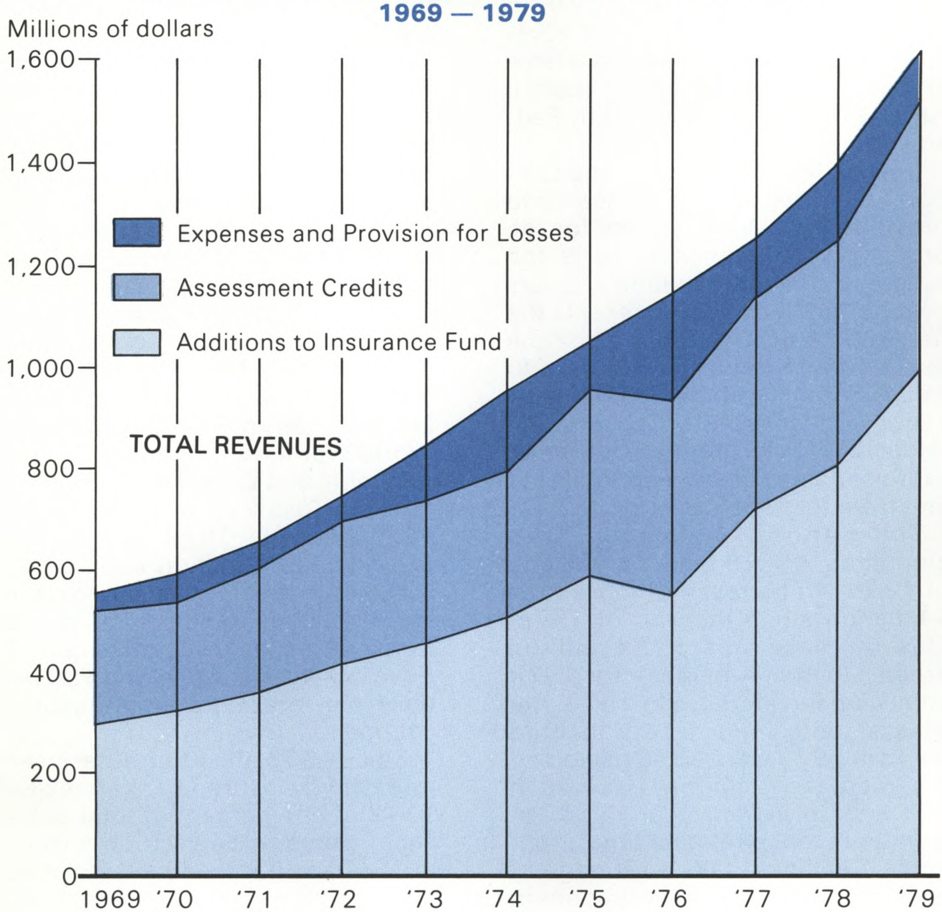
The deposit insurance fund amounted to $9.8 billion at the end of 1979, an increase of more than $1 billion since the end of 1978. This increase was $194 million greater than the increase for 1978 and twice the increase in 1974. Net assessments incurred by insured banks in 1979 were $356 million, or 3 percent less than they incurred in 1978. The year-to-year improvement in revenue reflects the Corporation's ability to take advantage of the particularly favorable changes in the interest rates earned on its expanding portfolio of government securities, and a more favorable than anticipated recovery experience on assets acquired from failed banks.

During the past several years, the deposit insurance fund has remained at about 1.2 percent of total insured deposits. While there is no actuarial consensus as to what the appropriate amount of the fund should be, the basic strength of the fund has been demonstrated by the fact that it has been more than sufficient to meet all requirements made upon it, even during the larger-than-usual bank failures of 1973-78. During this period the assets of those bank failures amounted to $7.7 billion; whereas, by the end of 1979 the Corporation had reduced the book value figure for all banks in liquidation to about $1.9 billion. In addition, during recent years, the Corporation has set aside $227 million to cover possible insurance losses on liquidations currently in process, and increased its administrative budget to meet rising costs and broadened responsibilities. The deposit insurance fund increased 60 percent, from $6.1 billion at the end of 1974 to $9.8 billion at the end of 1979, the largest percentage increase for any five-year period since World War II.

Income and Expenses. The Corporation's gross revenues amounted to $1.6 billion in 1979. Of the total revenue, $882 million was from assessments payable by insured banks for deposit insurance, $704 million from interest on investments in U.S. Government securities, and $30 million from notes receivable and other sources.

Since 1935, the basic assessment rate paid by insured banks has been 1/12 of one percent of total assessable deposits. Legislation enacted in 1950 in effect reduced the statutory rate of assessment by providing a 60 percent credit to be applied against gross assessments levied each year. This credit to insured banks was increased to 66 2/3 percent on December 31, 1961. This percentage is applied to the gross assessment due from banks in the calendar year after subtracting the Corporation's administrative and operating expenses, nonrecoverable insurance expenses, and additions to reserves for losses in the calendar year. Thus, although banks were initially assessed $882 million 1979, they received assessment credits of $526 million, which resulted in net

APPLICATION OF REVENUES
FEDERAL DEPOSIT INSURANCE CORPORATION
1969 — 1979



assessments of only $356 million. This sum is equivalent to 1/30 of one percent of assessable deposits and compares with 1/26 of one percent in 1978.

The Corporation's administrative and operating expenses were $107 million in 1979, an increase of less than four percent from 1978 despite rising costs and the Corporation's expanding responsibilities with respect to bank supervision and consumer affairs. For the first time since 1972, the provision for insurance losses and the nonrecoverable insurance expenses were reduced during 1979. The reduction of $55 million reflected the relatively small size of each of the banks that failed during the year and better than expected collections on liquidations involving earlier bank failures.

GAO Audit. In addition to the FDIC's continuing internal audit activity, the General Accounting Office continued to conduct an annual audit of the financial operations of the Corporation. In addition, under the Federal Banking Agency Audit Act (Public Law 95-320), enacted in 1978, the General Accounting Office also continued to conduct periodic performance audits of the Corporation. These performance audits primarily concentrated on: bank supervision, with particular emphasis on the examination process and the supervision of bank holding companies; foreign banking activity in the U.S.; identification and disclosure of problems in the banking system; consumer related compliance examinations; and regulatory burden and structure. The results of both types of audit are reported to Congress.

Assets and Liabilities. The Corporation's financial position continued to improve steadily during 1979, resulting in a $1.0 billion increase to the deposit insurance fund. Total assets on December 31, 1979 amounted to $10.4 billion. Cash and U.S. Government securities, valued at amortized cost plus accrued interest, amounted to $9.6 billion. The remaining assets represented primarily equity in assets acquired from failed banks, after allowance for reserves for losses. These assets include loans and notes purchased to facilitate deposit assumptions and mergers, subrogated claims against closed banks, and assistance to operating banks.

At the end of 1979, liabilities of the Corporation were $567 million. Of this total, $539 million represented assessment credits due insured banks which will be made available to them in 1980.

COMPARATIVE STATEMENT OF FINANCIAL CONDITION (in thousands)

ASSETS:

	December 31, 1979	December 31, 1978
Cash	$ 1,523	$ 4,343
U.S. Government obligations: (Note 1)		
Securities at amortized cost	9,449,595	8,210,441
Accrued interest	186,511	162,720
Total	**9,636,106**	**8,373,161**
Equity in assets acquired from deposit payoff cases and insured banks assisted under Section 13(e) of the FDI Act:		
Depositors' claims paid	31,676	33,980
Depositors' claims unpaid	802	861
Loans and assets purchased	746,583	940,309
Assets purchased outright	18,391	19,104
Notes purchased plus accrued interest (Note 3)	133,627	135,568
Less allowance for losses (Note 2)	257,384	273,949
Total	**673,695**	**855,873**
Equity in assets acquired from insured banks assisted under Section 13(c) of the FDI Act:		
Assets purchased outright	22,143	23,936
Notes purchased plus accrued interest (Note 4)	37,000	37,028
Less allowance for losses (Note 2)	20,000	20,700
Total	**39,143**	**40,264**
Miscellaneous assets (Note 5)	**2,765**	**2,759**
Land and office building, less depreciation on building	**6,148**	**6,283**
Total Assets	**$10,359,380**	**$9,282,683**

The accompanying summary of significant policies and notes to financial statements are an integral part of these statements.

FEDERAL DEPOSIT INSURANCE CORPORATION

LIABILITIES AND THE DEPOSIT INSURANCE FUND:

	December 31, 1979	December 31, 1978
Accounts payable and accrued liabilities	**$ 5,309**	**$ 4,963**
Earnest money, escrow funds, and collections held for others	**1,920**	**4,893**
Accrued annual leave of employees	**5,393**	**4,716**
Due insured banks:		
Net assessment income credits:		
Available July 1, 1979	0	443,101
Available July 1, 1980 (Note 6)	524,672	0
Available excess credits (Note 7)	13,981	11,990
Total	**538,653**	**455,091**
Liabilities incurred in failures of insured banks:		
Notes payable plus accrued interest (Note 8)	14,571	16,166
Depositors' claims unpaid	802	861
Total	**15,373**	**17,027**
Total Liabilities	**566,648**	**486,690**
Deposit Insurance Fund	**9,792,732**	**8,795,993**
Total Liabilities and the Deposit Insurance Fund	**$10,359,380**	**$9,282,683**

The accompanying summary of significant policies and notes to financial statements are an integral part of these statements.

COMPARATIVE STATEMENT OF INCOME AND THE DEPOSIT INSURANCE FUND (in thousands)

	For the twelve months ended December 31, 1979	December 31, 1978
Revenues:		
Assessments earned	$ 881,970	$ 810,532
Interest on U.S. Government obligations	699,900	567,042
Amortization of premiums and discounts (net)	4,433	(1,264)
Interest earned on notes receivable	12,370	11,974
Other income	17,280	7,313
Total	**1,615,953**	**1,395,597**
Assessment Credits, Expenses, and Losses:		
Provision for assessment credits	525,538	443,534
Administrative and operating expenses (net) (Note 10)	106,791	103,289
Nonrecoverable insurance expenses	4,137	5,409
Provision for insurance losses	(17,252)	36,532
Loss on sale of securities	0	3,628
Total	**619,214**	**592,392**
Net Income	**996,739**	**803,205**
Deposit Insurance Fund-January 1	**8,795,993**	**7,992,788**
Deposit Insurance Fund-December 31	**$9,792,732**	**$8,795,993**

The accompanying summary of significant policies and notes to financial statements are an integral part of these statements.

FEDERAL DEPOSIT INSURANCE CORPORATION

COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION (in thousands)

	For the twelve months ended December 31, 1979	December 31, 1978
Financial Resources Were Provided From:		
Operations:		
Net deposit insurance assessments	$ 356,432	$ 366,998
Interest on U.S. Government obligations	699,900	567,042
Interest on notes receivable	12,370	11,974
Other income	17,280	7,313
Total	**1,085,982**	**953,327**
Less:		
Administrative and operating expenses, net of depreciation	106,656	103,154
Nonrecoverable insurance expenses	4,137	5,409
Total	**110,793**	**108,563**
Resources provided from operations	**975,189**	**844,764**
Maturity and sale of U.S. Government obligations, less, $3,628 net loss in 1978	879,975	794,469
Collections received on assets acquired in receivership and deposit assumption transactions	341,542	799,248
Increase in assessment credits due banks	83,562	26,355
Decrease in cash	2,820	4,320
Total financial resources provided	**$2,283,088**	**$2,469,156**
Financial Resources Were Applied To:		
Purchase of U.S. Government obligations	$2,246,816	$1,686,705
Increase (decrease) in U.S. Treasury One-Day Certificates (Total purchases - $35,828,626 in 1979 and $37,679,123 in 1978 Total maturities - $35,960,746 in 1979 and $37,485,081 in 1978)	(132,120)	194,042
Acquisition of Assets acquired in receivership and deposit assumption transactions	141,078	554,280
Increase in accrued interest on securities	23,791	24,763
Net change in other assets and liabilities	3,523	9,366
Total financial resources applied	**$2,283,088**	**$2,469,156**

The accompanying summary of significant policies and notes to financial statements are an integral part of these statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General. These statements do not include accountability for assets and liabilities of closed insured banks for which the Corporation acts as receiver or liquidating agent. Periodic and final accountability reports of its activities as receiver or liquidating agent are furnished by the Corporation to courts, supervisory authorities, and others as required.

U.S. Government Obligations. Securities are shown at amortized cost which is the purchase price of the securities less the amortized premium or plus the accreted discount. Such amortization and accretion are computed on a daily straight-line basis from the date of acquisition to the date of maturity.

Deposit Insurance Assessments. The Corporation assesses insured banks at the rate of 1/12 of one percent per year on the bank's average deposit liability less certain exclusions and deductions. Assessments are due in advance for each six-month period and credited to income each month. Section 7(d) of the Federal Deposit Insurance Act states that each July 1, sixty-six and two-thirds percent of the Corporation's net assessment income from the prior calendar year be made available to insured banks as a prorated credit against the current assessment due.

Allowance for Losses. It is the policy of the Corporation to establish an estimated allowance for loss at the time a bank fails. These allowances are reviewed every six months and adjusted as required, based on the financial developments which accrue during each six-month period. The Corporation does not state its estimated contingent liability for unknown future bank closings because such estimates are impossible to make. The Corporation's contingent liability for eventual net losses depends upon factors which cannot be assessed until or after a bank has actually failed. The Corporation's entire deposit insurance fund and borrowing authority are available, however, for such contingencies.

Depreciation. The headquarters building is depreciated on a straight-line basis over a 50-year estimated life. The cost of furniture, fixtures, and equipment is expensed at time of acquisition.

Reclassifications. Certain reclassifications have been made in the 1978 financial statements to conform to the presentation used in 1979.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 1979 and 1978

1. **U.S. Government Obligations.** All cash received by the Corporation which is not used to defray operating expenses or for outlays related to assistance to banks and liquidation activities, is invested in U.S. Treasury securities. As of December 31, 1979 the Corporation's investment portfolio consisted of the following:

(In thousands)

Maturity	Description	Par Value	Book Value	Market Value	Cost
1-Day	Special Treasury Certificates	$ 141,922	$ 141,922	$ 141,922	$ 141,922
Less Than 1 Year	U.S.T. Notes and Bonds	1,081,002	1,079,672	1,058,910	1,074,447
2-5 Years	U.S.T. Notes and Bonds	3,799,920	3,799,232	3,524,120	3,799,448
6-10 Years	U.S.T. Notes and Bonds	4,356,626	4,355,770	3,978,462	4,359,313
Over 10 Years	U.S.T. Notes and Bonds	75,546	72,999	59,634	71,806
		$9,455,016	**$9,449,595**	**$8,763,048**	**$9,446,936**

FEDERAL DEPOSIT INSURANCE CORPORATION

2. **Allowance for Losses.** An analysis of the changes in the allowance for losses on the accounts described below for years ended December 31, 1979 and 1978 follows:

	1979	1978
Depositors' claims paid:		
Balance, beginning of period	$ 14,475,000	$ 16,032,000
Add (Subtract):		
Provision charged to expense	4,100,000	300,000
Net adjustment to prior years	(1,775,000)	(1,214,000)
Write-off at termination	0	(643,000)
Balance, end of period	16,800,000	14,475,000
Loans and assets purchased:		
Balance, beginning of period	240,763,500	210,709,400
Add (Subtract):		
Provision charged to expense	9,255,000	7,505,000
Net adjustment to prior years	(27,683,000)	23,735,100
Write-off at termination	(11,500)	(1,186,000)
Balance, end of period	222,324,000	240,763,500
Assets purchased outright:		
Balance, beginning of period	39,410,000	33,400,000
Add (Subtract):		
Provision charged to expense	0	0
Net adjustment to prior years	(1,150,000)	6,010,000
Write-off at termination	0	0
Balance, end of period	38,260,000	39,410,000
	$277,384,000	**$294,648,500**

3. **Notes Purchased to Facilitate Deposit Assumptions.** The Corporation's outstanding principal on notes receivable, purchased to facilitate deposit assumptions and mergers of closed insured banks under Section 13(e) of the Federal Deposit Insurance Act, at December 31, 1979 and 1978 are:

	1979	1978
Clearing Bank	$ 1,000,000	$ 1,000,000
Marine National Exchange Bank of Milwaukee	1,500,000	1,500,000
First Tennessee National Corporation	16,000,000	16,000,000
First Tennessee National Bank	8,000,000	8,000,000
Bank Leumi Trust Company of New York	8,750,000	10,000,000
New Orleans Bancshares, Inc.	5,833,333	6,666,667
European-American Bancorp.	85,000,000	85,000,000
Drovers Bank of Chicago	4,000,000	4,000,000
Town-Country National Bank	250,000	250,000
	$130,333,333	**$132,416,667**

4. **Notes Purchased to Assist Operating Banks.** The Corporation's outstanding principal on notes receivable, purchased under authority of Section 13(c) of the Federal Deposit Insurance Act, at December 31, 1979 and 1978 are:

	1979	1978
Unity Bank and Trust Company	$ 1,500,000	$ 1,500,000
Bank of the Commonwealth	35,500,000	35,500,000
	$37,000,000	**$37,000,000**

5. **Miscellaneous Assets.** The Corporation's miscellaneous assets at December 31, 1979 and 1978 are:

	1979	1978
Receivables	$1,719,000	$1,748,000
Prepaid Items	1,046,000	1,011,000
	$2,765,000	**$2,759,000**

6. **Assessment Credits Due Banks July 1, 1980.** The computation of net assessment income credits that will become available to banks on July 1, 1980 is as follows:

Computation:		
Gross Assessment Income C.Y. 1979		$880,403,000
Less: Administrative and Operating Expenses	$106,791,000	
Provision for Losses	(17,252,000)	
Insurance Expense	4,125,000	93,664,000
Net Assessment Income		$786,739,000
Distribution:		
1/3 to F.D.I.C.	$262,246,000	
2/3 to Insured Banks	524,493,000	$786,739,000
Assessment Credit Available to Banks - July 1, 1980:		
Assessment Credit C.Y. 1979	$524,493,000	
Prior Years Credits	179,000	
Assessment Credit Available July 1, 1980	$524,672,000	

Effective Rate of Assessment for C.Y. 1979: 1/30 of 1% of Total Assessable Deposits

7. **Available Excess Credits.** As of December 31, 1979 and 1978, assessments receivable from insured banks reflected credit balances representing excesses of assessment income credits made available to insured banks on July 1, 1979 and 1978 over assessments due for the last six months of each calendar year. These excess credits continued to be available to insured banks at the beginning of the next assessment period in the following calendar years.

8. **Notes Payable.** These amounts represent the unpaid principal and accrued interest on the Corporation's unsecured notes designated "5.775% Series A Notes due January 1, 1988" and "5.775% Series B Notes due January 1, 1990" as set forth in the consents, exchange agreement, and agreements of release and satisfaction related to the sale of Franklin Buildings, Inc. to European-American Bank and Trust Company.

9. **Southern Bancorporation Note Receivable.** On December 9, 1976, Southern Bancorporation repaid in full the $8 million note that the Corporation had purchased on September 24, 1974. Southern Bancorporation financed this transaction by obtaining a loan from First Union National Bank of North Carolina. To induce FUNB to enter the loan agreement, the FDIC agreed to guarantee the payment of 75 percent of the unpaid principal amount of the loan on the terms and conditions set forth in the guarantee agreement. As of December 31, 1979 and 1978, FUNB's outstanding principal due on the loan totaled $5.8 million and $6.6 million, respectively.

10. **Lease Commitments.** Rental expense of $4,556,000 (1979) and $3,916,000 (1978) for office premises has been charged to expense. Minimum rentals for each of the next 5 years and for subsequent years thereafter are as follows:

1980	1981	1982	1983	1984	1985 or after
$4,249,000	$3,595,000	$3,359,000	$1,988,000	$1,492,000	$3,456,000

Most office premise lease agreements provide for increase in basic rentals resulting from increased property taxes and maintenance expense.

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

MAY 14 1980

The Honorable Irvine H. Sprague
Chairman, Board of Directors
Federal Deposit Insurance
Corporation

Dear Mr. Sprague:

Pursuant to section 17(c) of the Federal Deposit Insurance Act (12 U.S.C. 1827), we have examined the Statement of Financial Condition of the Federal Deposit Insurance Corporation as of December 31, 1979, and the Related Statements of Income and the Deposit Fund, Changes in Financial Position, and Analysis of the Deposit Insurance Fund. Our examination was made in accordance with the Comptroller General's standards for financial and compliance audits. We included such tests of the accounting records and such auditing procedures as we considered necessary in the circumstances. To the extent possible, we supplemented our audit procedures by using work of the Corporation's internal auditors.

In our opinion, the financial statements referred to above present fairly the financial position of the Federal Deposit Insurance Corporation at December 31, 1979, and the results of its operations and changes in its financial position for the year then ended, in conformity with both generally accepted accounting principles and the accounting principles prescribed by the Comptroller General applied on a basis consistent with that of the preceding year.

Sincerely yours,

Milton J. Socolar

Acting Comptroller General
of the United States

ENFORCEMENT PROCEEDINGS
PART TWO

Actions to Terminate Insured Status
Federal Deposit Insurance Act-Section 8(a)

The Corporation has issued 42 termination of insurance orders since January 1971; nine were issued in 1979. In each case, the bank was found to be in unsafe or unsound condition.

A number of other termination of insurance actions have been recommended but withdrawn because of corrective action by the bank involved. As in the case of cease-and-desist actions, the threat of termination of insurance has caused many of the banks to take affirmative steps to correct deficiencies, thus eliminating the need for final action.

Summary of cases

Bank No.

34 Deposits—$50.5 million
Notice of intention to terminate insured status issued on February 16, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; establish an adequate loan loss reserve; cease extending credit to any borrower noted as a concentration and eliminate concentrations; adopt written loan policies; take appropriate action to eliminate deficit net operating income; correct internal control deficiencies and institute a written audit program; discontinue cash dividends; increase capital; and provide an acceptable asset condition and a certain level of capital.

35 Deposits—$5.0 million
Notice of intention to terminate insured status issued on May 7, 1979. Bank ordered to provide acceptable management, increase capital; reduce adversely classified assets; establish an adequate reserve for loan losses; correct documentation deficiencies; adhere to certain lending requirements based on a specified loan to deposit ratio; adopt written loan and investment policies; reduce concentrations of credit; correct internal control deficiencies; correct violations of laws, rules and regulations; and provide an acceptable asset condition and a certain level of capital.

36 Deposits—$3.5 million
Notice of intention to terminate insured status issued on May 21, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; obtain adequate documentation; cease extending credit to any borrower noted as a concentration and eliminate such concentrations; eliminate without loss or liability to the bank extensions of credit by means of overdraft or cash item to insiders and cease extending such credit; adhere to specific guidelines regarding extensions of credit to insiders owning 10% of the bank's stock; reduce loan volume; adopt acceptable written loan and investment policies; provide adequate liquidity; correct internal control deficiencies and adopt a written internal audit program; discontinue cash dividends; increase capital; and provide an acceptable asset condition and a certain level of capital.

Order terminated on July 9, 1979, after bank was closed.

37 Deposits—$35.9 million
Notice of intention to terminate insured status issued on June 7, 1979. Bank ordered to provide acceptable management; adopt written loan, investment and operating policies with consideration given to liquidity needs; adhere to an outstanding supervisory corrective order; increase capital; and provide an acceptable asset condition and a certain level of capital.

Order terminated on July 2, 1979, after bank was closed.

38 Deposits—$15.3 million
Notice of intention to terminate insured status issued on July 2, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; correct loan documentation deficiencies; adopt acceptable written loan and investment policies; discontinue cash dividends; increase capital; and provide an acceptable asset condition and a certain level of capital.

Order terminated on November 5, 1979, following purchase and assumption by another bank.

39 Deposits—$4.7 million
Notice of intention to terminate insured status issued on July 30, 1979. Bank ordered to provide acceptable management; increase capital; reduce adversely classified assets; provide an adequate loan loss reserve; eliminate loan documentation deficiencies; adopt acceptable written loan policies; adopt

policies to ensure compliance with FIRIRCA; reduce concentrations of credit; discontinue cash dividends; and provide an acceptable asset condition and a certain level of capital.

40 Deposits—$16.2 million
Notice of intention to terminate insured status issued on August 13, 1979. Bank ordered to provide acceptable management and to increase capital.

41 Deposits—$87.9 million
Notice of intention to terminate insured status issued on September 17, 1979. Bank ordered to increase capital; establish an adequate loan loss reserve; reduce adversely classified assets; establish a plan to control expenses; and provide an acceptable asset condition and a certain level of capital.

42 Deposits—$5.1 million
Notice of intention to terminate insured status issued on September 17, 1979. Bank ordered to provide acceptable management; adopt procedures to ensure maintenance of accurate books and records; provide for an audit program; reduce adversely classified assets; increase capital; adopt written loan and investment policies; discontinue cash dividends; and provide an acceptable asset condition and a certain level of capital.

Cease-and-Desist Actions Federal Deposit Insurance Act-Section 8(b)

The Corporation has issued 189 cease-and-desist orders since January 1971, including 52 in 1979. In addition, 24 temporary cease-and-desist orders were issued in that period, including six in 1979. In each case, the bank was ordered to cease and desist from unsafe or unsound practices and to take affirmative action to correct conditions. Several such actions are now in various stages of processing.

Also, a number of other cease-and-desist proceedings were terminated when the banks involved, in response to a threatened cease-and-desist order, took affirmative steps to correct the problems.

In six other cases, two in 1979, formal written agreements between banks and the Corporation were ratified by the FDIC Board of Directors. Noncompliance with these formal written agreements can result in a cease-and-desist action.

Summary of cases

Bank No.

138 Deposits—$4.9 million
Consent cease-and-desist order entered on January 10, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; establish an adequate loan loss reserve; inject new capital; reduce overdue loans; adopt acceptable written loan policies; establish a plan to control expenses; comply with laws, rules and regulations; and initiate appropriate action in connection with student loans in default.

139 Deposits—$16.4 million
Consent cease-and-desist order entered on January 10, 1979. Bank ordered to inject new capital; reduce adverse classifications; establish an adequate loan loss reserve; correct loan documentation deficiencies; reduce overdue loans; adhere to its stated installment loan charge-off policy; comply with laws, rules and regulations; and discontinue cash dividends.

140 Deposits—$13.0 million
Consent cease-and-desist order entered on January 10, 1979, to replace a temporary order to cease-and-desist. Bank ordered to provide acceptable management; adopt acceptable written loan policies; reduce adverse classifications; correct internal control and loan documentation deficiencies; formulate written policies and procedures for investment of bank funds; and comply with laws, rules and regulations.

141 Deposits—$13.5 million
Consent cease-and-desist order entered on January 10, 1979, to replace a temporary order to cease-and-desist. Bank ordered to not engage in any business transactions with a certain affiliate, including but not limited to deposit relationships, loans to or for the benefit of the affiliate, its officers, directors, shareholders or other insiders of the affiliate, loans or participations in loans purchased from or sold to the affiliate, and the purchase of goods or services from the affiliate; cease granting credit directly or indirectly to or for the benefit of a certain individual, his business interests or

persons related to him, the affiliate or any insider or affiliate of the bank; to prohibit any of its employees from serving simultaneously as an employee of the affiliate or perform recordkeeping services for the affiliate; cease transacting any business of the affiliate in any authorized office of the bank or in offices owned, leased or otherwise controlled by the bank; and cease extending any credit to any parties secured in whole or in part by deposits in the affiliate.

142 Deposits—$13.0 million

Consent cease-and-desist order entered on January 24, 1979. Bank ordered to provide acceptable management, reduce adverse classifications; eliminate adversely classified obligations of insiders, substantial stockholders, and/or their related interest; eliminate and cease extending credit in the form of overdrafts to insiders, substantial stockholders or companies in which they are interested; establish specific procedures and/or guidelines with regard to outstanding extensions of credit to directors and substantial stockholders; eliminate adversely classified loans to and cease extending credit to borrowers who do not reside or conduct business within the bank's normal trade area; declare a moratorium on renewals and extensions of installment loans; provide adequate collateral and credit file documentation; reduce loan volume; maintain an adequate loan loss reserve; adopt a loan policy; correct internal control deficiencies and adopt an internal audit program; comply with laws, rules and regulations; and discontinue cash dividends.

143 Deposits—$7.2 million

Consent cease-and-desist order entered on January 24, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; eliminate criticisms pertaining to assets listed for special mention; establish an adequate loan loss reserve; adopt acceptable written loan policies, including provisions for credit extended to insiders; establish a charged-off loan ledger; comply with laws, rules and regulations; inject new capital; adopt acceptable written investment policies; reduce loan volume; cease payment of compensation to directors without prior supervisory approval; prohibit extending credit to insiders whose outstanding credit is adversely classified; levy service charges on all deposit accounts of insiders in the same manner and degree as levied on other deposit customers; and discontinue cash dividends.

144 Deposits—$4.1 million

Consent cease-and-desist order entered on January 24, 1979. Bank ordered to correct violations of consumer protection laws related to Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations; Truth in Lending Act, Equal Credit Opportunity Act; Real Estate Settlement Procedures Act; and part 338 (Fair Housing) of the Corporation's Rules and Regulations; and employ or designate a person to assure future compliance with all consumer and civil rights-related laws and regulations.

145 Deposits—$15.5 million

Consent cease-and-desist order entered on February 16, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; provide an adequate loan loss reserve; reduce overdue loans; adopt acceptable written loan and investment policies; inject new capital; provide adequate internal control procedures; and correct violations of laws, rules and regulations.

146 Deposits—$6.3 million

Consent cease-and-desist order entered on February 16, 1979. Bank ordered to inject new capital and provide an adequate loan loss reserve.

147 Deposits—$29.6 million

Consent cease-and-desist order entered on February 16, 1979. Bank ordered to provide acceptable management; obtain supervisory approval for payment of management fees for services not performed by salaried employees; inject new capital; reduce adverse classifications; limit credit to directors, officers, their affiliates and interests and any two or more unrelated directors, officers, their affiliates and interest where payment is based upon the assets of or revenue derived from the same source; reduce concentrations of credit, loan volume and overdue loans; not repurchase loans sold or sell additional loan participations; adopt acceptable written loan policies; reduce loans originating outside the bank's normal trade area; correct documentation deficiencies; and periodically review written policies and established procedures for conformance.

148 Deposits—$131.9 million
Consent cease-and-desist order entered on March 6, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; establish adequate reserves for loan losses, other real estate, and Leeway Investments; provide adequate collateral and credit file documentation; cease extending credit to borrowers outside the bank's normal trade area except for one and two family residences; adopt acceptable written loan and investment policies; limit credit to any person or concern and any two or more unrelated obligors where payment is based upon the assets of or revenue derived from the same source; reduce concentrations of credit; increase surplus and reserves to a certain level; correct internal control deficiencies; and correct violations of laws, rules and regulations.

149 Deposits—$11.5 million
Consent cease-and-desist order entered on April 2, 1979. Bank ordered to inject a cash contribution to surplus and obtain a formal, written, legal opinion from competent tax counsel concerning the proper valuation of the bank's building and premises for income tax purposes.

150 Deposits—$14.1 million
Consent cease-and-desist order entered on April 2, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; eliminate overdrafts; reduce loan volume and overdue loans; adopt acceptable written loan and investment policies; provide an adequate loan loss reserve; correct documentation deficiencies; correct violations of laws, rules and regulations; maintain complete and accurate board and loan committee minutes; maintain its general ledger and daily statement in conformance with generally accepted standards; and discontinue cash dividends.

151 Deposits—$17.6 million
Consent cease-and-desist order entered on April 2, 1979. Bank ordered to reduce adversely classified assets, assets listed for special mention, concentrations of credit, and loan volume; increase the interest rate charged on a loan to a certain insider; adopt acceptable written loan policies; provide an adequate loan loss reserve; define its normal trade area and reduce, restrict and limit extensions of credit to borrowers outside of the defined area; eliminate borrowings other than securities sold under repurchase agreement; inject new capital; and correct violations of laws, rules and regulations.

152 Deposits—$6.1 million
Consent cease-and-desist order entered on April 2, 1979 to replace a temporary order to cease-and-desist. Bank ordered to inject new capital; abide by certain restrictions regarding loan volume, sale of loan participations, and securities transactions; cease extending or renewing credit without first obtaining certain specific documentation and correct documentation deficiencies; limit volume of overdrafts to a specified level; place certain restrictions on extensions of credit to borrowers residing outside its normal trade area; establish an adequate loan loss reserve; correct violations of laws, rules and regulatons; and discontinue cash dividends.

153 Deposits—$13.9 million
Consent cease-and-desist order entered on April 2, 1979. Bank ordered to correct violations of consumer protection laws related to Truth in Lending Act; Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations; Equal Credit Opportunity Act; and employ or designate a person to assure future compliance with all civil rights-related laws and regulations.

154 Deposits—$15.5 million
Consent cease-and-desist order entered on April 9, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; reduce loan volume and adhere to certain restrictions regarding same; cease extending credit based on deposits that have a brokered origin; establish controls and procedures for extension of dealer floor-plan credit lines; adopt acceptable written loan and overdraft policies; provide an adequate loan loss

reserve; correct loan documentation deficiencies; review and take necessary action with regard to expenditures related to travel, entertainment and legal services; correct internal control deficiencies; cease exercising trust powers without supervisory approval; and correct violations of laws, rules and regulations.

155 Deposits—$5.4 million
Consent cease-and-desist order entered April 9, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; limit credit to any person or concern and any two or more unrelated obligors where payment is based upon the assets of or revenue derived from the same source; cease extending additional credit to insiders or persons related to insiders whose credit is adversely classified; approve and establish reasonable limitations on sale of excess funds; reduce loan volume and adhere to certain restrictions regarding same; provide an adequate loan loss reserve; adopt acceptable written loan, overdraft, and insider policies; correct loan documentation deficiencies; cease purchasing any loan or other asset from any source in consideration for or to facilitate the sale of bank insider debt or debt of any person related to any insider of the bank; abide by certain restrictions related to the sale of other real estate or other bank assets; correct internal control deficiencies; maintain a certain level of adjusted capital and reserves; correct violations of laws, rules and regulations; and adhere to certain restrictions regarding payment of cash dividends.

156 Deposits—$21.0 million
Consent cease-and-desist order entered on April 23, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; reduce loan volume and adhere to certain restrictions regarding same; limit credit to any person or concern and any two or more unrelated obligors where payment is based upon the assets of or revenue derived from the same source; adopt acceptable written loan and other real estate policies; adhere to certain restrictions regarding extensions of credit of any kind to three certain individuals; extend credit secured by real estate within governing law; provide an adequate loan loss reserve; correct loan documentation deficiencies; provide an acceptable loan liability ledger; cease releasing collateral held to secure credit extended unless payment is received approximating the fair market value of the collateral released; and correct violations of laws, rules and regulations.

157 Deposits—$18.3 million
Consent cease-and-desist order entered on May 21, 1979. Bank ordered to correct violations of consumer protection laws related to Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations; Truth in Lending Act; Equal Credit Opportunity Act; Real Estate Settlement Procedures Act; and Parts 329 (Interest on Deposits) and 338 (Fair Housing) of the Corporation's Rules and Regulations; and employ or designate a person to assure future compliance with all cited consumer and civil rights-related laws and regulations and the Corporation's Rules and Regulations.

158 Deposits—$2.3 million
Consent cease-and-desist order entered on May 30, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; adopt acceptable written loan policies; provide an adequate loan loss reserve; correct loan documentation deficiencies; review and adopt necessary adjustments regarding salaries and employee benefits paid officers and employees; adopt plans and take affirmative action with regard to obtainment of adequate premises for the conduct of the bank's business; correct internal control deficiencies; discontinue cash dividends; and correct violations of laws, rules and regulations.

159 Deposits—$70.7 million
Consent cease-and-desist order entered on June 11, 1979. Bank ordered to provide acceptable management for its trust department; conduct trust operations in accordance with the Corporation's Statement of Principles of Trust Department Management; correct trust department recordkeeping deficiencies; conduct an asset review of all trust accounts; correct other documentation deficiencies and note same in the trust committee minutes; obtain trust committee approval prior to opening any new trust account or closing any existing account and the

purchase, sale or change regarding trust assets; establish and implement procedures to conform with the Employee Retirement Income Security Act; establish dual control procedures for all trust department assets; obtain independent legal counsel opinion regarding past and present operation of the common trust fund in accordance with the written plan and the trust committee will review same; correct violations; establish a program to effectively supervise trust department operations; disclose certain transactions involving any trust account resulting in an adjustment which operates to the disadvantage of such trust account; disclose litigation pertaining to the operation of the trust department to, and establish an adequate reserve for same if deemed necessary by supervisory authorities; and provide necessary training of the bank's internal audit personnel in auditing procedures for the bank's trust department.

160 Deposits—$16.9 million

Consent cease-and-desist order entered on June 18, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; eliminate and cease extending credit to borrowers who do not reside or conduct business within its defined trade area; adopt acceptable written loan policies; establish an adequate loan loss reserve; inject new capital; formulate a liquidity policy; improve operating earnings; adopt an internal written audit program and correct internal control deficiencies; obtain adequate blanket and excess employee dishonesty bond coverage; correct violations of laws, rules and regulations; and discontinue cash dividends.

161 Deposits—$82.5 million

Consent cease-and-desist order entered on June 18, 1979 to replace a temporary order to cease-and-desist. Bank ordered to adhere to certain restrictions regarding disbursement or payment of any monies, including credit extensions, to a certain holding company and/or to any party wherein such disbursement would inure to the benefit of said holding company, or invoice the purchase of said holding company's stock without prior supervisory approval.

162 Deposits—$13.7 million

Consent cease-and-desist order entered on June 25, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; cease extending additional credit to insiders or persons related to insiders whose credit is adversely classified; reduce loan volume and adhere to certain restrictions regarding same; adopt acceptable written loan and investment policies; disclose to the shareholders all details on an insider credit life insurance agency operated on the premises; require approval by two-thirds of the shareholders of any decision not to retain such income for the bank, but in any event provide reasonable reimbursement to the bank for use of premises, personnel, and equipment; provide an adequate loan loss reserve; correct loan documentation deficiencies; correct internal control deficiencies; correct violations of laws, rules and regulations; and discontinue cash dividends.

163 Deposits—$5.0 million

Consent cease-and-desist order entered on July 2, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; limit credit to any director or officer of the bank or their affiliates and interests or any two or more directors or officers of the bank or their affiliates and interests where payment is based upon the assets of or revenue derived from the same source; limit the total indebtedness to directors and officers of the bank, their affiliates and interests; reduce concentrations of credit; reduce loan volume and adhere to certain restrictions regarding same; adopt acceptable written loan policies; reduce overdue loans; correct loan documentation deficiencies; provide an adequate loan loss reserve; adopt acceptable liquidity policies; adopt an acceptable written internal audit program and correct internal control deficiencies; periodically review written bank policies and established procedures for conformance; comply with Title I of the Financial Institutions Regulatory and Interest Rate Control Act; and correct violations of laws, rules and regulations.

164 Deposits—$11.9 million

Consent cease-and-desist order entered on July 2, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets and loans listed for special mention; reduce loan volume and adhere to certain restrictions regarding same; reduce overdue loans; adopt acceptable written loan policies; provide an adequate loan loss reserve; correct loan documentation deficiencies; adopt acceptable liquidity policies; inject new capital; correct violations of laws, rules and regulations, including consumer protection laws; employ or designate a person to assure future compliance with all consumer and civil rights-related laws and regulations; and periodically review written policies and established procedures for conformance.

165 Deposits—$4.7 million

Consent cease-and-desist order entered on July 9, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; reduce overdue loans; adopt acceptable written loan policies; provide an adequate loan loss reserve; adopt acceptable liquidity policies; and correct loan documentation deficiencies.

166 Deposits—$69.4 million

Consent cease-and-desist order entered on July 16, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; provide an adequate loan loss reserve; adhere to certain restrictions regarding loan volume; adopt adequate liquidity policies; maintain a certain level of total capital and reserves; correct violations of laws, rules and regulations; and discontinue cash dividends.

167 Deposits—$20.5 million

Consent cease-and-desist order entered on July 16, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; adopt acceptable written loan policies; adhere to certain restrictions regarding accounting for interest income on loans, loan participations sold, and loan volume; correct loan documentation deficiencies; review all loans and lines of credit to directors and their interests at least semi-annually; cease extending credit to directors whose loans are adversely classified unless adequate security is obtained and in conformance with applicable law; collect all outstanding loans to certain individuals and companies unless adequate security is provided, otherwise, same are to be charged off and new equity capital injected at least equal to the amount charged off; adhere to certain restrictions regarding the payment of any fee, commission, charge or expense for legal services or services of a real estate agency or broker unless same is fully supported and documented; provide an adequate loan loss reserve; maintain a certain level of adjusted capital and reserves; correct violations of laws, rules and regulations; and discontinue cash dividends.

168 Deposits—$15.1 million

Consent cease-and-desist order entered on July 16, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; collect all debts of any director or director's interests which are adversely classified; adopt acceptable written loan policies; provide an adequate loan loss reserve; reduce and adhere to certain restrictions regarding loan volume; and comply with laws, rules and regulations.

169 Deposits—$17.3 million

Consent cease-and-desist order entered on July 16, 1979. Bank ordered to reduce adversely classified assets; adhere to certain restrictions regarding the sale of loans or loan participations and documentation in the granting of extensions of credit; correct loan documentation deficiencies; provide an adequate loan loss reserve; inject new capital; and comply with laws, rules and regulations.

170 Deposits—$4.7 million

Consent cease-and-desist order entered on July 16, 1979 to replace a temporary order to cease-and-desist. Bank ordered to adhere to certain restrictions regarding extensions of additional credit in the form of cash items, overdrafts, or any payment against uncollected funds; cease extending credit guaranteed in whole or in part by the Farmers Home Administration, the Small Business Administration, or any other agency of the United States Government; and adhere to a specified dollar limit in extending credit without prior approval of a majority of directors or a committee thereof who are not full-time officers of the bank.

171 Deposits—$32.7 million
Consent cease-and-desist order entered on July 23, 1979. Bank ordered to correct violations of consumer protection laws related to Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations; Truth in Lending Act; Equal Credit Opportunity Act; Real Estate Settlement Procedures Act; and, Parts 326 (Security and Controls Against External Crimes), 329 (Advertising of Interest or Dividends on Deposits), and 338 (Fair Housing) of the Corporation's Rules and Regulations; and employ or designate a person to assure future compliance with all consumer and civil rights-related laws and regulations.

172 Deposits—$62.8 million
Consent cease-and-desist order entered on July 30, 1979 to replace a temporary order to cease-and-desist. Bank ordered to reduce adversely classified assets; reduce overdue loan volume; inject new capital and maintain a certain level of adjusted capital and reserves; discontinue purchase of or further speculation in the purchase or sale of Government National Mortgage Association forward placement contracts; comply with laws, rules and regulations; and adhere to certain restrictions regarding payment of cash dividends.

173 Deposits—$10.0 million
Consent cease-and-desist order entered on August 6, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; reduce overdue loans and concentrations of credit; adopt acceptable written loan policies; establish an adequate loan loss reserve; correct loan documentation deficiencies; obtain written verifications from banks to which loan participations have been sold regarding the bank's obligation to repurchase; inject new capital; and correct internal control deficiencies, including establishment of an accrual accounting system for the recording of discounted installment loan income.

174 Deposits—$103.9 million
Consent cease-and-desist order entered on August 6, 1979 to replace a temporary order to cease-and-desist. Bank ordered to cease from entering into or consummating any transaction for the sale of any nonbook or classified loan of the bank for any amount less than face value to any insider, former insider, person related to an insider or former insider, to a certain bank or to any insider or person related to an insider of that bank.

175 Deposits—$5.8 million
Consent cease-and-desist order entered on August 13, 1979. Bank ordered to provide acceptable management; reduce adverse classifications; implement supervisory recommendations regarding loans listed for special mention; reduce loan volume and overdue loans; establish an adequate loan loss reserve; adopt acceptable written loan policies; inject new capital; and comply with laws, rules and regulations.

176 Deposits—$1.3 billion
Cease-and-desist order entered on August 21, 1979. Bank ordered to comply with Section 329.8 (interest on deposits) of the Corporation's Rules and Regulations. In particular, the bank shall cause all visual advertisements for a period of three months, in daily newspapers selected in a manner designed to reach the greatest number of its depositors, to contain in a clear conspicuous manner a notice related to the compounding of interest/dividends; and establish an account that properly reflects the bank's liability from which customers may request restitution for underpayment of interest/dividends.

177 Deposits—$41.1 million
Consent cease-and-desist order entered on August 20, 1979. Bank and individual respondents ordered to adhere to certain restrictions regarding the sale of loans or loan participations, documentation in the granting of extensions of credit and loan volume; reduce and adhere to certain restrictions regarding extensions of credit to the interests of certain individual respondents; adopt acceptable written loan policies; establish an acceptable loan liability ledger; increase the rate of interest on outstanding obligations of certain individual respondents and establish a rate of interest for loans to individual respondents at the maximum rate for money market certificates of deposits permitted by applicable regulation plus specified percentage points; prepare a detailed report of all expenses charged to the bank by its

directors and other employees and recover from the directors and employees all personal expenses approved by the directors after a specified date; and comply with laws, rules and regulations.

178 Deposits—$40.0 million
Consent cease-and-desist order entered on August 27, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; adopt an acceptable written loan policy; reduce overdue loans; correct loan documentation deficiencies; establish an adequate loan loss reserve; reduce and maintain loan volume at a specified level; maintain adequate cash reserves and refrain from unnecessary borrowing to support liquidity; inject new capital; comply with laws, rules and regulations; and cause annual independent audits to be made.

179 Deposits—$11.0 million
Consent cease-and-desist order entered on September 10, 1979. Bank ordered to reduce adversely classified assets; establish an adequate loan loss reserve; adhere to certain documentation restrictions prior to extending or renewing credit; request current financial data from all obligors whose extensions of credit are adversely classified; provide evidence of title and priority of liens on all real estate securing any applicable extension of credit and perfect any and all security interests on real or personal property; and comply with laws, rules and regulations.

180 Deposits—$37.2 million
Consent cease-and-desist order entered on October 1, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; adopt acceptable written loan policies, including guidelines for loans to insiders, principal shareholders and their interests; correct loan documentation deficiencies; adhere to certain limitations on extensions of credit to any one person, including any company or companies he or she may control; reduce concentrations of credit; adopt acceptable written investment policies, including adequate provisions for liquidity; inject new capital and submit a plan for the replacement of subordinated capital notes maturing in March 1981; take appropriate action to improve operating earnings; not enter into any contractual agreements for the leasing of bank premises without prior supervisory approval; and comply with laws, rules and regulations.

181 Deposits—$17.3 million
Consent cease-and-desist order entered on October 15, 1979. Bank ordered to not have less than five directors on its board and not less than two-thirds of the directors domiciled within its state; have an outside audit conducted regarding the bank's expense accounts to determine which expense items paid by the bank were reasonable and normal bank expenses and which items were expenses of a personal nature to an insider, the latter to reimburse the bank for same; adopt an acceptable program for a monthly review by the board of all expense items of the bank, including adequate documentation and annual board approval of all salaries, allowances, bonuses and fees for officers, directors and employees; adhere to a certain percentage of average assets for a preceding year regarding total annual salary and bonus expense to be paid; adopt an audit program which shall include an annual audit by an outside accounting firm; prohibit its officers and employees from performing services during normal bank working hours for a certain insider, certain corporations, or any other entity owned or controlled directly or indirectly by that certain insider (other than the bank) without the bank receiving compensation for such services; cease extending loans to its affiliates in violation of a certain law and obtain adequate documentation and collateral for all loans to its affiliates; disclose to the shareholders all details on an insider credit life insurance agency operated on the premises; and the board shall annually review and determine by appropriate resolution whether the bank will continue to permit credit life insurance to be written by bank personnel and/or written on bank premises, incidental to bank loans, in connection with said insurance agency.

182 Deposits—$3.9 million
Consent cease-and-desist order entered on October 15, 1979 to replace a temporary order to cease-and-desist. Bank ordered to discontinue cash or noncash bonus to directors, officers and employees; discontinue payment

of management fees and/or director fees; provide information satisfactory to support the salary, fees and other direct remuneration paid to any director, officer or employee who does not serve as a full-time officer or employee; adhere to certain restrictions regarding any increases in salary and/or expense allowances of full-time officers and employees; adhere to certain limitations and restrictions in the reimbursement of expenses to any officer, director or employee; review and document in the minutes of regular meetings of the board approval or disapproval of all detailed income and expense statements; cease payment of management fees to two certain former owners of the bank and seek reimbursement from three certain individuals for management fees paid to the two former owners; cease extending any additional credit to or for the benefit of directors, a certain former director, principal stockholders, or two certain former owners of the bank; adopt acceptable written loan policies; reduce adversely classified assets; establish an adequate loan loss reserve; initiate and pursue all actions necessary to obtain reimbursement from three certain individuals for certain unsafe or unsound banking practices committed in connection with an agreement to purchase the bank from two former owners of the bank related to extensions of credit to and property conveyed to the former owners and obtain a specified amount of new capital by direct contribution from the three certain individuals; provide acceptable management; reduce overdue loans; comply with laws, rules and regulations; and discontinue cash or noncash dividends.

183 Deposits—$3.9 million

Consent cease-and-desist order entered on October 15, 1979 to replace a temporary order to cease-and-desist. Two active directors and a former director ordered to cease acceptance or receipt of cash or noncash bank dividends; one of the directors and the former director are to cease acceptance or receipt of cash or noncash bonus or director fees and any increase in salary or other direct or indirect remuneration without adequate documentation from the bank supporting same; reimburse the bank for a certain extension of credit adversely classified loss, bank property conveyed, management fees paid, and for the difference between preferential interest rate and a nonpreferential rate given to the former owners of the bank on their real estate loans; and take steps to correct and comply with applicable laws, rules and regulations.

184 Deposits—$18.2 million

Consent cease-and-desist order entered on October 22, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; increase the number of non-officer-directors on the loan committee from two to four and require the loan committee to give prior approval regarding secured or unsecured extensions of credit over certain stated amounts; reduce overdue loans and loan volume; adhere to its overdraft policy; formulate an acceptable written liquidity policy; inject new capital; provide an adequate loan loss reserve; be made beneficiary on life insurance policies on which the premiums are paid by the bank; discontinue any favorable treatment to a certain individual; increase fidelity insurance coverage to recommended level; and discontinue cash dividends.

185 Deposits—$6.3 million

Consent cease-and-desist order entered on October 22, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; collect and/or provide evidence that a certain adversely classified loan endorsed by an insider no longer warrants adverse classification; adopt acceptable written loan policies; provide an adequate loan loss reserve; reduce loan volume and adhere to certain restrictions regarding same; correct loan documentation and internal control deficiencies; inject new capital; comply with laws, rules and regulations; and discontinue cash dividends.

186 Deposits—$17.0 million

Consent cease-and-desist order entered on October 22, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; limit credit to any director or officer of the bank or their affiliates and interests or any two or more directors or officers of the bank where payment is based upon the assets of or revenue derived from the same source; limit the total indebtedness to directors and officers of the bank, their affiliates and interests; adhere to certain restrictions regarding specific adversely classified loans or related loans to a certain individual; adopt acceptable written loan policies; correct loan documentation deficiencies; provide an adequate loan loss reserve; adopt acceptable liquidity policies; adopt a policy establishing guidelines and procedures for the elimination of the excessive use of uncollected funds; adopt a policy and adhere to certain restrictions regarding overdrafts to past or present officers or directors or their interests and to a certain individual and his interests; correct violations of laws, rules and regulations; and inject new capital.

187 Deposits—$3.9 million
Consent cease-and-desist order entered on December 10, 1979. Bank ordered to correct violations of consumer protection laws related to Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations; Truth in Lending Act; Equal Credit Opportunity Act; and, parts 326 (Security and Controls Against External Crimes), and 345 (Community Reinvestment Act) of the Corporation's Rules and Regulations; and employ or designate a person to assure future compliance with all consumer and civil rights-related laws and regulations.

188 Deposits—$59.2 million
Consent cease-and-desist order entered on December 17, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; increase the number of non-officer-directors on the loan committee by one and require the loan committee to give prior approval regarding secured or unsecured extensions of credit over certain stated amounts; reduce overdue loans, loan volume, and concentrations of credit; provide an adequate loan loss reserve; formulate an acceptable written liquidity policy; inject new capital; and discontinue cash dividends.

189 Deposits—$68.5 million
Consent cease-and-desist order entered on December 17, 1979. Bank ordered to provide acceptable management; reduce adversely classified assets; adopt an acceptable written loan policy; provide an adequate loan loss reserve; and inject new capital.

Formal Written Agreement Federal Deposit Insurance Act-Section 8(b)

Bank No.

5 Deposits—$199.9 million
Written agreement entered on September 10, 1979. Bank agreed to amortize certain purchase and servicing contracts on a straight-line basis over a 12-year period beginning January 1980.

6 Deposits—$70.2 million
Written agreement entered on November 5, 1979. Bank agreed to collect and/or improve the quality of certain insider loans subject to adverse classification and listed for special mention sufficient to warrant removal of the designations; reduce remaining adversely classified assets and loans listed for special mention; adopt acceptable written loan and investment policies; adhere to FDIC's published statement of policy concerning income tax remittance by banks to their holding company affiliates; provide an adequate loan loss reserve; and adhere to certain restrictions regarding payment of management, consultant or other fees of any nature to directors or their interests or the bank's holding company.

Temporary cease-and-desist actions Federal Deposit Insurance Act-Section 8(c)

Bank No.

19 Deposits—$62.8 million
Temporary cease-and-desist order issued on January 10, 1979. Bank ordered to cease-and-desist from further purchase of, or further speculation in, the purchase or sale of Government National Mortgage Association futures, excepting further purchases or sales of same on which the bank is presently legally obligated.
A permanent cease-and-desist order was issued on July 30, 1979.

20 Deposits—$6.1 million
Temporary cease-and-desist order issued on January 19, 1979. Bank ordered to cease-and-desist from extending credit exceeding a specified amount in the form of overdrafts or by

holding checks as cash items for any one customer or account; extending credit in violation of a certain state statute; and abide by certain restrictions regarding loan volume and the sale of any loan or participation in any credit.

A permanent cease-and-desist order was issued on April 2, 1979.

21 Deposits—$82.4 million

Temporary cease-and-desist order issued on May 7, 1979. Bank ordered to adhere to certain restrictions regarding the disbursement of any monies, including credit extensions, to a certain holding company and/or to any other party wherein such disbursement would inure to the benefit of said holding company.

A permanent cease-and-desist order was issued on June 18, 1979.

22 Deposits—$4.7 million

Temporary cease-and-desist order issued on May 25, 1979. Bank ordered to adhere to certain restrictions regarding extensions of additional credit in the form of cash items, overdrafts, or payment against uncollected funds; cease extending credit guaranteed in whole or in part by the Farmers Home Administration, the Small Business Administration, or any other agency of the United States Government; and adhere to a specified dollar limit in extending credit without prior approval of a majority of directors or a committee thereof who are not full time officers of the bank.

A permanent cease-and-desist order was issued on July 16, 1979.

23 Deposits—$3.9 million

Temporary cease-and-desist order issued on August 10, 1979. Bank ordered to cease payment of all management and director fees, bonuses, and dividends; raising any and all salaries to officers and employees; extending any additional credit to or for the benefit of members of board of directors or principal stockholders; conveying the bank's assets without adequate consideration; extending credit in violation of Federal Reserve Regulation O; seek reimbursement for vehicles owned by the bank and conveyed to former owners; a specified amount of management fees paid to former owners, and a specified amount for loans classified loss granted to former owners.

A permanent cease-and-desist order was issued on October 15, 1979.

24 Deposits—$3.9 million

Temporary cease-and-desist order issued on August 10, 1979. Three certain active directors ordered to cease acceptance or receipt of dividends, bonuses, directors fees, salary increases, conveying bank assets, making loans, and paying management fees without adequate consideration, and any extension of credit from the bank; and, reimburse the bank for assets conveyed, loans made and management fees paid to two certain individuals in connection with an agreement to purchase the bank.

A permanent cease-and-desist order was issued on October 15, 1979.

MERGER DECISIONS OF THE CORPORATION
PART THREE

BANKS INVOLVED IN ABSORPTIONS APPROVED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1979

State	Town or City	Bank	Page
Alabama	Evergreen	First Alabama Bank of Conecuh County (in organization)	125
		The Conecuh County Bank	125
	Opelika	Lee County Bank (in organization; change title to The Bank of East Alabama)	125
		The Bank of East Alabama	125
Alaska	Anchorage	Alaska Pacific Bank	125
		Alaska Interim Bank (in organization)	125
California	Anaheim	Heritage Bank	117
	Fresno	First National Bank of Fresno	108
	Fullerton	California Pacific Bank	119
	Grass Valley	Gold Country Bank	125
	Gardena	Republic Bank	119
	Irvine	Irvine National Bank	117
	Livermore	Valley Bank, National Association	108
	Los Angeles	Sherman Oaks Branch— Manufacturers Bank	102
		California Overseas Capital Co., Inc. (in organization)	107
		California Overseas Bank	107
	Los Angeles (P.O. Encino)	Surety National Bank (change title to California Overseas Bank)	107
	Los Angeles (Sun Valley)	American Pacific State Bank	102
	Newport Beach	International Central Bank	122
		International Trust Corporation	122
	Oakland	Central Bank	70, 118
	San Francisco	Bank of America National Trust and Savings Association	93
		The Hongkong Bank of California (change title to Oakland Bank)	70
	San Rafael	IBC Investment Corporation (in organization)	125
	South Lake Tahoe	Tahoe National Bank	108
Connecticut	Hartford	The Guaranty Bank and Trust Company	99
	New Haven	First Bank	99
Florida	Bay County (P.O. Panama City)	Southeast Beach State Bank (change title to Southeast Bank of Panama City)	100
	Daytona Beach	Barnett Bank of Daytona Beach (change title to Barnett Bank of Volusia County)	72
	DeLand	Barnett Bank of DeLand, National Association	72
	Delray Beach	Barnett Bank of Delray Beach (change title to Barnett Bank of Palm Beach County)	115
	Hollywood	American Bank of Hollywood	118
	Homestead	First American Bank of Homestead	98
	Jacksonville	American Arlington Bank	110
		American Beach Boulevard Bank (change title to American Bank)	110

State	Town or City	Bank	Page
		American Mandarin Bank	110
		Southeast Bank of Edgewood	109
		Southeast First Bank of Jacksonville (change title to Southeast Bank of Jacksonville)	109
	Jacksonville Beach	Southeast First National Beach Bank	109
	Lake Worth	First Marine National Bank and Trust Company of Lake Worth	96
	Margate	Florida Coast Bank of Coral Springs, National Association	97
	North Miami	First American Bank of Dade County	98
	Panama City	Southeast National Bank of Panama City	100
	Pembroke Park (P.O. Hallandale)	Pembroke Park Branch—American Bank of Hallandale	118
	Pompano Beach	Florida Coast Bank of Pompano Beach (change title to Florida Coast Bank of Broward County)	97
	Riviera Beach	First Marine Bank & Trust Company of the Palm Beaches	96
	Tequesta	First Marine National Bank & Trust Company, Jupiter/Tequesta	96
	West Palm Beach	Barnett Bank of Palm Beach County	115
Georgia	Albany	Security Bank and Trust Company	125
	Atlanta	DuCorp, Inc. (in organization)	126
	Columbus	CB&T, Inc. (in organization)	125
	Dalton	First Railroad Bank of Dalton (in organization; change title to The Bank of Dalton)	126
		The Bank of Dalton	126
	Doerun	*Toney Brothers Bank	123
	Duluth	The Bank of Duluth	126
	Hampton	Interim-Hampton, Inc. (in organization)	126
		The Bank of Hampton	126
	Lawrenceville	Gwinnett Commercial Bank	125
		Trust Company of Gwinnett County (in organization; change title to Gwinnett Commercial Bank)	125
	Macon	Georgia Bank and Trust Company	125
		Georgia Interim Company (in organization)	125
	Marietta	First Railroad Bank of Cobb County (in organization; change title to The Commercial Bank of Cobb County)	126
		The Commercial Bank of Cobb County	126
	Moultrie	American Banking Company	123
Illinois	Chicago	Independence Bank of Chicago	124
		*Guaranty Bank & Trust Company	124
		*Gateway National Bank of Chicago	124
	Schaumburg	H.S. Bank (in organization; change title to Suburban Bank of Hoffman-Schaumburg)	126
		Suburban Bank of Hoffman-Schaumburg	126

*Banks absorbed in "emergency" approvals under provisions of Section 18(c).

State	Town or City	Bank	Page
Indiana	Fort Wayne	Summit Bank and Trust Company of Fort Wayne (in organization; change title to Indiana Bank and Trust Company of Fort Wayne)	126
		Indiana Bank and Trust Company of Fort Wayne	126
Maine	Lewiston	Northeast Bank of Lewiston and Auburn	83
	Livermore Falls	Augusta and Waterville Branches—Livermore Falls Trust Company	83
	Portland	Maine Savings Bank	77
	South Paris	South Paris Savings Bank	77
Maryland	Baltimore	Arlington Federal Savings and Loan Association	89
		Central Savings Bank	89
		Equitable Trust Company	69
	Hagerstown	Antietam Bank Company	111
	Hancock	Peoples Bank of Hancock	111
	Rockville	University National Bank	69
Massachusetts	Burlington	BayBank Middlesex, N.A.	101
	Waltham	BayBank Newton-Waltham Trust Company (change title to BayBank Middlesex)	101
Michigan	Big Rapids	Central Michigan Bank and Trust	125
		CMB Bank (in organization)	125
	Clare	Citizens Bank and Trust Company	126
		CBC Bank (in organization)	126
	Olivet	The Olivet State Bank	126
		New State Bank of Olivet (in organization)	126
Mississippi	Clinton	The American Bank	69
	Leakesville	Bank of Leakesville	87
	Vicksburg	Bank of Vicksburg (change title to The American Bank)	69
	Waynesboro	First State Bank	87
New Jersey	Bernardsville	Bernards State Bank	121
	Clayton	Peoples Bank of South Jersey (in organization)	125
		Peoples Bank of South Jersey	125
	Morristown	The Morris County Savings Bank	121
New York	Albany	Albany Savings Bank	75
		Mechanics Exchange Savings Bank	91
	Buffalo	Erie Savings Bank	104
	Fredonia	Fredonia Savings and Loan Association	104
	Genesee	Genesee Valley National Bank and Trust Company of Genesee	74
	Kingston	Heritage Savings Bank	75
	New York (Brooklyn)	The Dime Savings Bank of New York	91
	New York (Manhattan)	Emigrant Savings Bank	72
		Prudential Savings Bank	72
	Ossining	Westchester County Savings and Loan Association	90
	Syracuse	First Trust and Deposit Company	74
	Tarrytown	Peoples Westchester Savings Bank	90

State	Town or City	Bank	Page
North Carolina	Conway	Bank of Conway	103
	Fayetteville	Cape Fear Bank & Trust Company	97
	Raleigh	Capitol National Bank	97
		First-Citizens Bank & Trust Company	103
	Whiteville	Waccamaw Bank and Trust Company (change title to United Carolina Bank, Whiteville)	97
Ohio	Akron	The Firestone Bank	116
	Columbus	Society Bank	122
	Gallipolis	CS Bank (in organization; change title to The Commercial and Savings Bank)	125
		The Commercial and Savings Bank	125
	Harrisburg	*The American Bank of Central Ohio	122
	Hopedale	Heritage Bank, N.A. — Hopedale	76
	Marion	The F. B. G. Bank of Marion (in organization; change title to The Marion County Bank)	125
		The Marion County Bank	125
	Salem	Heritage Bank, N.A. — Salem	76
	Steubenville	Heritage Bank, N.A. — Steubenville (change title to Heritage Bank)	76
	Union Township (P.O. Morristown)	The Eastern Ohio Bank	84
	Wadsworth	The Firestone Bank of Wadsworth	116
	Yorkville	The Community Savings Bank Company	84
Oklahoma	Tulsa	Community Bank & Trust Company	94
		Community Banksite, Inc.	94
Oregon	Hood River	Hood River County Bank	126
		Hood River County Interim Bank (in organization)	126
	Lake Oswego	The Community Bank	112
	Milwaukie	First State Bank of Oregon	112
		First State Interim Bank of Oregon (in organization)	112
Pennsylvania	Lewisburg	The Union National Bank of Lewisburg	80
	Millville	The First National Bank of Millville	79
	State College	Central Counties Bank	80
	Williamsport	Northern Central Bank	79
South Carolina	Columbia	Bankers Trust of South Carolina	81
		First-Citizens Bank and Trust Company of South Carolina	114
	Florence	The Peoples Bank of South Carolina, Inc.	81
	Trenton	The Bank of Trenton	114
Texas	Addison	New Addison State Bank (in organization; change title to Addison State Bank)	126
		Addison State Bank	126
	College Station	Bank of A & M	125
		Texas A & M Bank (in organization; change title to Bank of A & M)	125

*Banks absorbed in "emergency" approvals under provisions of Section 18(c).

State	Town or City	Bank	Page
	Fort Worth	Collegiate State Bank of Fort Worth (in organization; change title to University Bank)	125
		New Riverside Bank (in organization; change title to Riverside State Bank)	125
		Riverside State Bank	125
		University Bank	125
	Houston	Allied Cypress Bank (in organization)	126
		Allied Mercantile Bank (in organization)	126
		American Bank (in organization)	124
		*American National Bank	124
		Commercial State Bank	126
		Cypress Bank	126
		Mercantile Bank of Houston (change title to Allied Mercantile Bank)	126
		New Commercial State Bank (in organization)	126
		New Port City Bank (in organization)	126
		Port City State Bank	126
	Hutchins	New South Central Bank (in organization; change title to South Central Bank)	126
		South Central Bank	126
	Jacksonville	Allied Texas Bank (in organization)	126
		Texas Bank and Trust Company (change title to Allied Texas Bank)	126
	Pasadena	San Jacinto State Bank	125
		South Street State Bank (in organization; change title to San Jacinto State Bank)	125
	Taft	New First State Bank of Taft (in organization; change title to The First State Bank of Taft)	126
		The First State Bank of Taft	126
Utah	Richfield	Valley Central Bank	126
		VC Bank Corporation (in organization)	126
Vermont	Barre	Batreal, Inc.	87
	Burlington	Merchants Properties, Inc.	87
		The Merchants Bank	87
Virginia	Chincoteague	Bank of Chincoteague, Inc. (change title to Farmers & Merchants Bank — Eastern Shore)	105
	Onley	Farmers & Merchants National Bank in Onley	105
	Providence Forge	The Colonial Bank	86
	West Point	Citizens and Farmers Bank	86
Other Areas			
Puerto Rico	San Juan (Hato Rey)	Scotiabank de Puerto Rico (in organization)	95
	San Juan (Rio Piedras)	Banco Mercantil de Puerto Rico, Inc.	95

*Banks absorbed in "emergency" approvals under provisions of Section 18(c).

State	Town or City	Bank	Page
Canada	Halifax	Puerto Rican Branches — The Bank of Nova Scotia	95
Argentina	Buenos Aires	Rosario Branch — Banco Aleman Transatlantico	93

BANKS INVOLVED IN ABSORPTIONS DENIED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1979

Pennsylvania	Conneautville	The Farmers National Bank of Conneautville	127
	Warren	The Pennsylvania Bank and Trust Company	127

	Resources (in thousands of dollars)	Banking Offices in Operation Before	After
The Equitable Trust Company Baltimore, Maryland	1,534,945	102	117
to merge with **University National Bank** Rockville, Maryland	124,875	15	

Summary report by Attorney General, November 13, 1978

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval January 24, 1979

The Equitable Trust Company, Baltimore, Maryland ("Applicant"), an insured State nonmember bank with total resources of $1,534,945,000 and total IPC deposits of $1,212,503,000, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the FDIC's prior consent to merge with University National Bank, Rockville, Maryland, with total resources of $101,510,000. The merger would be under the charter and with the title of Applicant, and the fifteen existing, and one approved but unopened, branches of University National Bank would be established as branches of the resultant bank.

The proponents are both wholly-owned (except directors' qualifying shares) subsidiaries of Equitable Bancorporation, Baltimore, Maryland, a bank holding company. This relationship has existed since 1974. The proposal is essentially a corporate reorganization and would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. The proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be acceptable and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

Available information indicates that no inconsistencies with the purposes of the Community Reinvestment Act appear to exist.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation Before	After
Bank of Vicksburg Vicksburg, Mississippi (change title to The American Bank)	38,316	3	6
to merge with **The American Bank** Clinton, Mississippi	11,648	3	

Summary report by Attorney General, October 13, 1978

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval January 24, 1979

Bank of Vicksburg, Mississippi ("BV"), an insured State nonmember bank with total resources of $38,316,000 and total IPC deposits of $23,081,000, 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 American Bank, Clinton, Mississippi ("American"), with total resources of $11,648,000 and total IPC deposits of $5,807,000. The banks would merge under the charter of BV and with the title of The American Bank, and incident to the merger, the three offices of American would become branches of the resulting bank, increasing the number of approved offices to seven.

Competition. BV, established in 1974, operates three offices in Vicksburg, Mississippi. An additional branch has recently been approved for the city of Jackson, Mississippi, approximately 40 miles from its main office. As of December 31, 1977, BV was ranked as the 63rd largest commercial bank in the state, controlling a modest 0.36 percent of the state's commercial bank deposits.

American, established in 1973, operates its main office and one branch in Clinton, Mississippi, and an additional branch in Jackson, Mississippi, seven miles east of the main office. As of December 31, 1977, American was ranked as the 147th largest commercial bank in the state, controlling a negligible 0.12 percent of the state's commercial bank deposits.

The proposed merger would have its most immediate competitive effect in American's primary market area, composed of eastern Hinds County, western Rankin County, and the southern portion of Madison County. Jackson, the capital of Mississippi, is centrally located in this area. The 1970 population of the area was approximately 180,700 (including 154,000 from the city of Jackson), compared to a 1960 population of 161,000 (including 144,400 from the city of Jackson). There are 88 offices of 14 commercial banks operating within this market. American controls only 0.5 percent of the market's commercial bank IPC deposits, making it the fourth smallest commercial bank. The state's two largest banks dominate the market with 80.4 percent of the commercial bank IPC deposits. BV is not located in the area and the closest existing branches of the two banks are separated by approximately 40 miles. It therefore appears that there is no significant existing competition between the two banks that would be eliminated by the proposed merger.

The proponents' legal branching areas, under Mississippi banking laws, overlap to a great extent. BV has approval to open a branch in Jackson, approximately 3 miles from a branch of American. The proposal will therefore eliminate future competition between the proponents.

Considering the modest share of the market held by American and the competition provided by the state's two largest banking organizations, the elimination of this potential competition is of little significance.

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

Financial and Managerial Resources; Future Prospects. Considerations relating to financial and managerial resources have been satisfactorily resolved, and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed merger would have little effect on the convenience and needs of the service area, other than providing the resulting bank with a higher lending limit. Considerations of convenience and needs of the community are nevertheless consistent with approval of the application.

Available information indicates that no inconsistencies with the purposes of the Community Reinvestment Act appear to exist.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Hongkong Bank of California San Francisco, California (change title to Central Bank)	142,018	6	47
to merge with **Central Bank** Oakland, California	500,714	41	

Summary report by Attorney General, November 17, 1978

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval January 24, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, an application has been filed on behalf of The Hongkong Bank of California, San Francisco, California ("HKB"), an insured State nonmember bank with total resources of $142,018,000 and total IPC deposits of $106,122,000, for the Corporation's prior consent to merge, under its charter, with Central Bank, Oakland, California, also an insured State nonmember bank, with total resources of $500,714,000 and total IPC deposits of $404,940,000, and to establish the 41 offices of Central Bank as branches of the resultant bank which would commence operation with a total of 47 offices and bear the title "Central Bank". Incident to the transaction, the main office location of the resultant bank would be changed to the present site of the main office of Central Bank.

Competition. The Hongkong and Shanghai Banking Corporation ("H&S"), parent of HKB, has proposed the acquisition of a major interest in Marine Midland Banks, Inc., a large New York State banking organization. As restraints bar H&S from holding the controlling interest in both Marine Midland Banks, Inc., and HKB, an attempt has been made to sell, or otherwise dispose of, the offices and commercial banking business of the California-based bank.

HKB, based in San Francisco, operates six banking offices in California; two in the city of San Francisco, and one each in the cities of Sacramento, Beverly Hills, Carson and Los Angeles. Central Bank, based in Oakland, operates 41 offices in 12 counties of California with most of its offices located in the East Bay Region of the San Francisco-Oakland metropolitan area and in the central portion of the state in the Sacramento and San Joaquin Valleys. A single office is also operated at Long Beach in the Los Angeles metropolitan area.

There are three relevant markets in which to assess the competitive impact of the proposed transaction. The proponents' closest offices are located in the Sacramento area, approximately one mile apart, and are regarded as being in direct competition in this relevant market. Offices of the proponents in the San Francisco-Oakland area and in the Los Angeles-Long Beach area, while not in close proximity and separated by numerous intervening banking offices, are viewed as competing in the same respective markets.

In each of these markets the proponents hold less than 1.0 percent of the respective market's commercial bank deposit base and rank among the smaller commercial banks by such a measure. All three markets are regarded as being highly concentrated, with the three largest banking organizations represented therein aggregately controlling between 64.5 percent and 78.0 percent of the respective market's deposit base. In light of the relatively nominal volume of deposits held by the proponents in these markets, the consummation of the proposed transaction is regarded as having no significant adverse effect upon existing competition or upon the structure of commercial banking competition in any of these relevant areas.

In the State of California, Central Bank ranks as the 13th largest bank in share of total commercial bank deposits held while HKB ranks as the 44th largest bank in share of such funds. The resultant bank, which would rank as the State's 12th largest bank, would hold only 0.5 percent of California's commercial bank deposits, a share significantly smaller than those held by other, larger statewide banking organizations. The proposed merger of Central Bank and HKB is viewed as having little effect upon the structure of commercial banking or the concentration of banking resources in California.

California statutes permit statewide *de novo* branching and merger activity. HKB's parent has indicated its intention to sell the bank, thus consideration of its potential expansion activities is not relevant to this analysis. Central Bank's acquisition of HKB's single banking office in Sacramento and three offices in the Los Angeles area are viewed as having an insignificant effect on potential *de novo* entry due to the number of existing offices of other commercial banks and the concentrated nature of these banking markets. Central Bank, which currently has no offices in the city of San Francisco, must, however, be regarded as a potential *de novo* branching entrant to that city. San Francisco, it is noted, is heavily banked, with a number of large, statewide banking organizations based in the city and dominating its commercial banking activities. The proposed transaction thus, would have little impact on the potential for competition between the proponents.

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

Financial and Managerial Resources; Future Prospects. Considerations relating to the managerial resources of the proponents and of the resultant bank have been satisfactorily resolved. Equity capital of the resultant bank and of its parent, Central Banking System, Inc., on a consolidated basis, after giving consideration to the projected impact of the proposed merger, is below desired levels. It would appear that the capital structure of both the resultant bank and of its parent is in need of permanent additional equity capital funds, in order to properly support the instant merger proposal. With the addition of such additional equity funds, the resultant bank and its parent would appear to have favorable future prospects.

Convenience and Needs of the Community to be Served. Services to be offered by the resultant bank would not differ materially from those presently available through either proponent or at other banking organizations. Considerations of convenience and needs of the community are nevertheless consistent with approval of the transaction.

Available information indicates that no inconsistencies with the purposes of the Community Reinvestment Act appear to exist.

Based on the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Barnett Bank of Daytona Beach Daytona Beach, Florida (change title to Barnett Bank of Volusia County)	56,246	2	3
to merge with **Barnett Bank of DeLand, National Association** DeLand, Florida	87,255	1	

Summary report by Attorney General, October 3, 1978

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval January 24, 1979

Barnett Bank of Daytona Beach, Daytona Beach, Florida ("Applicant"), an insured State nonmember bank with total resources of $56,246,000 and total IPC deposits of $43,593,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter, with Barnett Bank of DeLand, National Association, DeLand, Florida ("Other Bank"), with total resources of $87,255,000 and total IPC deposits of $76,882,000, and to establish the sole office of Other Bank as a branch of the resultant bank which would commence operation with a total of three offices and with the title "Barnett Bank of Volusia County". Incident to the transaction, the main office location of the resultant bank would be designated as the present site of the main office of Other Bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Barnett Banks of Florida, Inc., Jacksonville, Florida, a registered bank holding company, may consolidate its operations in Volusia County. Applicant and Other Bank have been under common ownership and control since Applicant was established in January of 1971, and their proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. The proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

Available information indicates that no inconsistencies with the purposes of the Community Reinvestment Act appear to exist.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Emigrant Savings Bank New York (Manhattan), New York	2,524,353	15	30
to merge with **Prudential Savings Bank** New York (Manhattan), New York	751,045	15	

Summary report by Attorney General, no report received.

Basis for Corporation Approval February 16, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, Emigrant Savings Bank, New York (P.O.

Manhattan), New York ("Emigrant"), an insured mutual savings bank with total resources of $2,524,353,000 and total deposits of $2,334,540,000, has applied for the Corporation's prior consent to merge, under its charter and title, with Prudential Savings Bank, New York (P.O. Manhattan), New York ("Prudential"), an insured mutual savings bank with total resources of $751,045,000 and total deposits of $701,918,000. Incident to the transaction, the fifteen offices of Prudential would be established as branches of the resultant bank which would commence operation with a total of thirty offices.

Competition. Emigrant, based in Manhattan, operates a total of 15 offices in New York (Manhattan), Queens, Nassau and Suffolk Counties and has received regulatory approval to establish a branch office in Westchester County. Prudential, also based in Manhattan, operates 15 offices in New York (Manhattan), Kings (Brooklyn), Nassau and Westchester Counties. Each proponent has been involved in merger transactions since 1969 with other thrift institutions based within New York City.

Neither Emigrant nor Prudential holds a significant share of the thrift institution deposit base in any of the counties in which the proponents are represented. In Nassau, Westchester and Kings Counties, the resultant institution would hold only 2.6 percent, 0.4 percent and 1.7 percent, respectively, of the county's thrift deposits, a market share which in each case is substantially lower than the share held by other large thrift institutions represented therein. In New York County (Manhattan), Emigrant is ranked as the third largest thrift institution holding 7.4 percent of that county's thrift institution deposits and as a consequence of the proposed merger would acquire Prudential's 1.6 percent share of such funds. This would have no effect upon the resultant institution's ranking and is not regarded as having any significant effect on the structure of thrift institution banking in this area. In the combined four-county area of New York, Kings, Westchester and Nassau, in which Prudential is presently represented, the resultant bank would aggregately hold only 5.1 percent of the area's thrift institution deposits, a share significantly smaller than the shares held by the three larger mutual savings banks based therein.

The five borroughs of New York City and the neighboring counties of Rockland, Westchester, Suffolk and Nassau are regarded as having close economic ties, with a large portion of the work force employed with New York City. The presence of common advertising and communication media throughout the metropolitan area serves as additional evidence of economic integration. The resultant institution in this metropolitan area, similarly, would control less than 5.0 percent of the thrift institution deposits and the proposed transaction is viewed as having no significant effect upon the structure of thrift institution banking in such an area.

While some existing competition between Emigrant and Prudential would be eliminated by the consummation of the proposed transaction, no significant adverse effect on competition is in evidence as numerous other large thrift institution alternatives are available in each of the areas served by the proponents. In the New York, Kings, Nassau and Westchester County area, over 500 banking offices are operated by a total of 110 thrift institutions, of which the resultant bank would operate only 23. The continuation of a competitive thrift institution banking environment seems assured.

Emigrant ranks as the fifth largest and Prudential as the 39th largest mutual savings bank in New York State. While each is permitted to branch and merge throughout the state, and thus, some potential for increased competition in the future between them would be eliminated by the proposed transaction, New York statutes restrict *de novo* branch expansion by mutual savings banks to one such office per year. This statutory branching restraint and the presence of numerous other large thrift institutions make this loss of potential competition insignificant.

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

Financial and Managerial Resources; Future Prospects. Prudential's financial condition is regarded as less than desirable as a result of low capitalization, a high volume of nonearning assets, poor earnings retention and inadequate loan supervision, while the financial condition of Emigrant has proven to be sound and generally free of such criticism. The resultant institution should have the resources to correct such deficiencies within the framework of a financially sound thrift institution. Considerations relating to managerial resources and the future prospects of the resultant institution have been satisfactorily resolved. These considerations would outweigh such limited adverse competitive effects as may exist.

Convenience and Needs of the Community to be Served. Some benefit would accrue to the public from the proposed broadening of depository services offered and expanded banking hours at the present offices of Prudential, however, the proposed transaction is expected to have little material impact upon convenience and needs as such services are readily available at offices of other thrift institutions in the areas served by the proponents. Considerations relating to convenience and needs of the community to be served are, however, consistent with approval of the transaction.

Available information indicates that no inconsistencies with the purposes of the Community Reinvestment Act appear to exist.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First Trust and Deposit Company Syracuse, New York	509,811	44	46
to merge with **Genesee Valley National Bank and Trust Company of Geneseo** Geneseo, New York	27,214	2	

Summary report by Attorney General, October 20, 1978

We have reviewed this proposed transaction and conclude that it would not have a significantly adverse effect upon competition.

Basis for Corporation Approval February 16, 1979

First Trust and Deposit Company, Syracuse, New York ("First Trust"), an insured State nonmember bank with total resources of $509,811,000 and total IPC deposits of $390,453,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with Genesee Valley National Bank and Trust Company of Geneseo, Geneseo, New York ("Genesee Valley"), with total resources of $27,214,000 and total IPC deposits of $19,618,000. Genesee Valley's two offices would be operated as branches of the resultant bank.

Competition. The banking market most relevant to an evaluation of the competitive impact of the proposed transaction would be an area within fifteen road miles of Geneseo, which would include the majority of Livingston County, and the adjoining portions of Genesee and Wyoming Counties. Much of the area is rural with both agricultural and industrial activities in evidence. The town of Geneseo (1970 population 7,278) serves as the economic center of the area by virtue of its size relative to the surrounding communities and the presence of a branch of the state university. The area, with the exception of the town of Geneseo, has experienced only a modest population growth, and its median buying levels are below the 1977 state median.

In the relevant market, a total of nine commercial banks operate sixteen offices. Genesee Valley, which ranks as the market's third largest bank, holds 14.5 percent of its IPC deposit base, a share significantly smaller than those held by the market's two larger institutions which aggregately control 48.6 percent of such funds. Neither First Trust nor any affiliate of its parent, First Commercial Banks, Inc., is represented in this market, and Genesee Valley does not appear to be engaged in any significant direct competition with this banking organization. The proponents' nearest offices are located approximately 65 miles apart and no office of an affiliate is located closer. The proposed transaction is viewed as having no significant effect on existing competition. Represented in the relevant market are affiliates of several of the state's largest banking organizations providing intense competition. Thus, the acquisition of this relatively small local institution by a banking organization based in the central and eastern portions of the state would have no material adverse impact on the structure of commercial banking in the relevant market.

New York State statutes permit statewide *de novo* branching, subject to home office protection in communities with a population of 50,000 or less. First Trust is thus precluded from *de novo* expansion into Geneseo, and the proposed transaction will serve as an entry mechanism permitting First Trust to establish a presence in this local market. Genesee Valley, due to its relatively modest size, does not appear to be in a position to mount any meaningful expansion campaign into areas removed from its present base of operation. Accordingly, the proposed transaction would not eliminate any significant potential for competition between the proponents.

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

Financial and Managerial Resources; Future Prospects. Both banks have satisfactory financial and managerial resources, as would the resultant bank which is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Services to be offered by the resultant bank would not differ materially from those already available in the market at other banking organizations. As consummation of the proposed transaction will make available an additional source of such services in the community, considerations of convenience and needs appear consistent with approval of the application.

Available information indicates that no inconsistencies with the purposes of the Community Reinvestment Act appear to exist.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Albany Savings Bank Albany, New York	917,365	14	21
to merge with **Heritage Savings Bank** Kingston, New York	243,189	7	

Summary report by Attorney General, February 26, 1979

We have reviewed this proposed transaction and conclude that it would not have any significant effect on competition.

Basis for Corporation Approval March 20, 1979

Albany Savings Bank, Albany, New York, an insured mutual savings bank with total resources of $917,365,000 and total deposits of $851,439,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with Heritage Savings Bank, Kingston, New York, an insured mutual savings bank with total resources of $243,189,000 and total deposits of $228,965,000. Incident to the transaction, the seven offices of Heritage Savings Bank would be established as branches of Albany Savings Bank which would commence operation with a total of 21 offices.

Competition. Albany Savings Bank operates 14 offices in the central and northern portions of New York State. Branches in Glens Falls, Johnstown, Troy and Oneida have been acquired since 1970 through merger transactions with four State-chartered savings and loan associations. Heritage Savings Bank operates a total of seven offices in three counties of the Hudson River Valley of southeastern New York State. In 1974, Heritage Savings Bank, based in Kingston in northern Ulster County, merged with Beacon Savings Bank, acquiring branches in the southern portion of Dutchess County and resources of approximately $58,000,000. The proponents' nearest offices are in excess of 50 road miles apart, with a number of other thrift institution offices serving the intervening area. The two institutions do not appear to be in direct competition to any significant degree and the proposed transaction is regarded as having little effect upon existing competition.

The area in which the competitive impact of the proposed transaction would be most direct and immediate is regarded as the area within an approximate 15 road mile radius of the respective cities of Kingston and Beacon. These two, essentially adjoining relevant markets, overlap only to a limited extent in the vicinity of Poughkeepsie where a locally-based mutual savings bank dominates the local thrift institution banking.

Kingston (1970 population 25,544) is the Ulster County seat, located in the northeastern portion of the county approximately 90 road miles north of New York City and approximately 60 road miles south of Albany. The economy of the Kingston area is predicated upon a mix of light industry, agriculture, dairy farming and tourism. The mountains and forests that lie to the west of Kingston serve as a popular recreational area. The cities of Beacon and Poughkeepsie (1970 population 13,255 and 32,029, respectively) are chief economic centers of Dutchess County, with Poughkeepsie located approximately equidistant between New York City and Albany. The area's economic activity is well diversified with electronics, apparel, food processing, textiles, paper products and other manufacturing of significance. A large IBM complex near Poughkeepsie is the area's largest employer with its highly skilled workers contributing to the relatively high median household buying level of

Dutchess County in relation to comparable figures for adjoining areas and for the state.

In the Kingston relevant market, a total of nine thrift institutions operate 16 banking offices. Heritage Savings Bank, which holds 20.4 percent of the market's thrift institution deposits, ranks as its second largest thrift institution. In the Beacon relevant market, a total of 14 thrift institutions operate 37 banking offices. Heritage Savings Bank, which holds 7.7 percent of the thrift institution deposits in this market, ranks as the fourth largest thrift institution. Albany Savings Bank is not represented in either of these markets.

Heritage Savings Bank's Spring Valley office is located in Rockland County, more than 70 road miles south of Kingston, and is regarded as competing in a separate, distant local market. This office, which holds a modest 4.4 percent of Rockland County's thrift institution deposits, ranks among the area's smaller thrift institutions. The proposed transaction would have little effect upon competition or upon the structure of thrift institution banking in this relatively distant area.

The prospects of meaningful competition developing between the proponents through *de novo* branching in the foreseeable future appear remote as restrictive state statutes limit such expansion for each proponent to a single *de novo* office per year. Heritage Savings Bank lacks the necessary resources to mount a meaningful expansion effort out of the Hudson River Valley area it now serves into areas served by Albany Savings Bank. While Albany Savings Bank must be regarded as a prime potential entrant into the markets in the Hudson River Valley now served by Heritage Savings Bank, the vehicle of *de novo* branch entry is not expected to produce a significant competitive impact in the foreseeable future. The presence of a number of large thrift institutions, with numerous banking offices in the Kingston and Beacon markets, assures the continuation of a competitive thrift institution banking climate in these areas if the proposed merger is consummated. The loss of some potential for future competition between the proponents is not regarded as having a significant adverse competitive impact.

Under the circumstances, the Board of Directors has concluded that the proposed transaction would not, in any section of the country, substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources; Future Prospects. Heritage Savings Bank's financial condition is regarded as less than desirable as a result of a high volume of loan losses and nonearning assets with a poor record of earnings retention while the financial condition of Albany Savings Bank has proven to be generally free of such criticism. The resultant institution should possess the resources necessary to correct such deficiencies within the framework of a financially sound thrift institution.

Considerations relating to managerial resources and future prospects of the resultant institution have been satisfactorily resolved.

Convenience and Needs of the Community to be Served. The proposed transaction would resolve the financial and managerial deficiencies in evidence at Heritage Savings Bank and thus enhance the convenience and needs of the communities it serves. These considerations would outweigh such limited adverse competitive effects as may exist.

A review of available information, including the Community Reinvestment Act Statement of the two respective institutions and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Heritage Bank, N.A. — Steubenville Steubenville, Ohio (change title to Heritage Bank)	129,735	8	19
to consolidate with **Heritage Bank, N.A. — Salem** Salem, Ohio	75,000	8	
and **Heritage Bank, N.A. — Hopedale** Hopedale, Ohio	14,010	3	

Summary report by Attorney General, January 5, 1979

The consolidating banks are all wholly-owned subsidiaries of the same bank holding company. As such, their proposed consolidation is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
April 2, 1979

Heritage Bank, N.A. — Steubenville, Steubenville, Ohio ("Steubenville"), with total assets of $129,735,000 and total IPC deposits of $105,971,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for consent to consolidate with Heritage Bank, N.A. — Salem, Salem, Ohio ("Salem"), with total assets of $75,000,000 and total IPC deposits of $64,217,000, and with Heritage Bank, N.A. — Hopedale, Hopedale, Ohio ("Hopedale"), with total assets of $14,010,000 and total IPC deposits of $11,453,000, under a new state charter, with the title, "Heritage Bank," and to establish the eight offices of Salem and the three offices of Hopedale as branches of the resulting bank. Incident to the transaction, the Toronto Office of Steubenville will be redesignated as the main office of the resulting bank which would operate with a total of 19 offices.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which First Steuben Bancorp, Inc., Toronto, Ohio, a registered bank holding company, may consolidate its operations in Harrison, Columbiana, and Jefferson Counties, Ohio. The proponents have been under common control since 1975, and their proposed consolidation would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resulting bank would not differ materially from those presently offered by each proponent.

A review of available information disclosed no inconsistencies with the purposes of the Community Reinvestment Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Maine Savings Bank Portland, Maine	406,418	12	14
to merge with **South Paris Savings Bank** South Paris, Maine	10,211	2	

Summary report by Attorney General,
October 3, 1978

We have reviewed this proposed transaction and conclude that it would not have a significantly adverse effect upon competition.

Basis for Corporation Approval
April 2, 1979

Maine Savings Bank, Portland, Maine ("Applicant"), an insured mutual savings bank with total resources of $406,418,000 and total deposits of $364,980,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with South Paris Savings Bank, South Paris, Maine ("SPSB"), an insured mutual savings bank with total resources of $10,211,000 and total deposits of $9,363,000. Incident to the transaction, the two offices of SPSB would be established as branches of Applicant. In a companion proposal, Applicant also seeks the Corporation's consent to establish a *de novo* branch in the Oxford Plains Shopping Center, Oxford, Maine, which is in close proximity to the two existing offices of SPSB.

Competition. Applicant, based in Portland, operates 12 offices in four counties of central and southern Maine, and has received appropriate regulatory approval to establish a *de novo* branch in Bangor approximately 135 miles northeast of Portland. While the majority of Applicant's offices are centered in the urbanized areas of coastal Cumberland County, all but one of the branches opened since 1974 have been established in more distant markets. SPSB, headquartered in

South Paris, operates a single branch located in South Paris Village, approximately 2 road miles west of its main office and 2 road miles east of Applicant's proposed Oxford branch.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the area within an approximate 15 road-mile radius of South Paris, encompassing southeastern Oxford County and small portions of adjoining Androscoggin and Cumberland Counties. This area, containing a stable population base estimated at approximately 15,000, has an economy predicated upon dairy farming, light manufacturing, lumber and wood products. Recent growth has been most pronounced in the nearby town of Oxford.

In the relevant market, a total of three thrift institutions operate five offices. SPSB, which holds a 22.8 percent market share of the deposits held by such institutions, is significantly smaller than Norway Savings Bank, which dominates the local market, holding 72.4 percent of the thrift institution deposits. Bethel Savings Bank, based in Bethel approximately 25 road miles north of South Paris, has opened two offices in this market since 1975. To date, those branches have been unable to make a significant penetration in dollar volume of deposits. As Applicant is not represented in this market and the proponents' nearest offices are located approximately 30 road miles apart, direct competition between the two institutions appears to be minimal. The proposed transaction would have no significant effect on existing competition between the two institutions or upon the structure of thrift institution banking in the relevant market.

Applicant is Maine's largest mutual savings bank holding 17.1 percent of the state's total mutual savings bank deposits, a share significantly higher than the state's second and third largest such institutions. Its acquisition of SPSB, which holds a modest 0.4 percent of such funds in the state, would add to this concentration; however, such an addition is not regarded as having a significant competitive impact.

Maine statutes provide for statewide branching activity. SPSB has historically chosen to serve its local community, and as one of the state's smaller mutual savings banks, does not possess the resources to embark upon any meaningful expansion into new markets. Applicant, on the other hand, with a record of aggressive branch development, must be regarded as a potential *de novo* entrant to the South Paris-Norway market.

The companion proposal of Applicant to establish a *de novo* branch in a new shopping center in the adjoining town of Oxford is regarded as an integral part of this transaction. The unimpressive growth record of another thrift institution's recent *de novo* entry into the South Paris-Norway market adds some support to Applicant's contention that *de novo* entry to this relatively stable local market would not be economically attractive. While it would be preferable, from a competitive standpoint, to have both Applicant and SPSB represented in this local market, in the absence of the proposed transaction, Applicant is unlikely to expand into this area in the foreseeable future. In such a light, the loss of the potential for future competition to develop between the proponents is not regarded as having any significant adverse competitive consequence.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of both proponents are regarded as satisfactory and the resultant institution is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The present rate structures and fee schedules on deposit and loan accounts at SPSB, are more favorable to thrift customers than those which would be offered by Applicant and the resultant institution. Applicant does, however, offer a broader range of thrift institution services than are presently available at SPSB, including a full range of time and personal checking deposit accounts, higher lending limits, and expanded mortgage loan activities. On balance, considerations relating to the convenience and needs of the community appear consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the two respective institutions and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Northern Central Bank Williamsport, Pennsylvania	278,621	17	19
to merge with **The First National Bank of Millville** Millville, Pennsylvania	16,892	2	

Summary report by Attorney General, January 15, 1979

Overall, in our view, the proposed transaction would not have a significantly adverse competitive effect.

Basis for Corporation Approval April 2, 1979

Northern Central Bank, Williamsport, Pennsylvania ("Northern"), an insured State nonmember bank with total resources of $278,621,000 and total IPC deposits of $220,863,000, 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 Millville, Millville, Pennsylvania ("Millville"), with total resources of $16,892,000 and total IPC deposits of $14,393,000. These banks would merge under the charter and title of Northern and the two offices of Millville would be established as branches of the resultant bank, which would commence operation with a total of 19 offices.

Competition. Northern operates 17 offices: six, including its main office in Lycoming County; one in Bradford County; eight in Northumberland County; and two in Sullivan County. Millville's main office is located in Columbia County and it operates one branch, approximately 14 miles from its main office, in Lycoming County. The main offices of the two banks are approximately 34 road miles apart but their nearest offices, the Lycoming Mall Branch of Northern and the Clarkstown Branch of Millville, are separated by only 7 road miles.

The two offices of Millville operate in separate markets. The Clarkstown office is approximately 15 miles from Williamsport and its market includes areas located within 10 to 12 miles of Clarkstown, as well as the city of Williamsport. Northern has five offices located within this market and is the dominant bank holding 31.2 percent of the IPC deposits. In spite of this, the effect on competition in this market would be negligible since the Clarkstown office of Millville (established in 1975) has less than $700,000 in total IPC deposits.

The competitive impact of the proposal would be most immediate and direct in the area served by the main office of Millville. This market area extends approximately 10 to 12 road miles from the borough of Millville. While the area is largely agricultural, the industrialized town of Bloomsburg is located on the perimeter of the market. The 1970 population of the area was 36,598 and the town of Bloomsburg accounted for 11,652 of the total. There are 20 offices of eight commercial banks serving the area. Northern is not represented in the market, and Millville has the smallest share of IPC deposits in the area (6.0 percent). There does not appear to be any existing competition between the proponents within this market. Because of the limited population of the Millville market it is unlikely that any substantial competition will develop between the two institutions.

Under Pennsylvania banking law, branching is permitted in a bank's home county and all contiguous counties. Within the 10-county region in which Northern may expand, a total of 52 commercial banks operate 164 offices and hold deposits aggregating $1,936,000,000. While Northern holds the largest share of deposits in the area (12.2 percent), the deposit structure is relatively unconcentrated, with the 10 largest banks controlling slightly over 50 percent of the commercial bank deposits. This proposal would increase Northern's share to 13 percent. It does not appear that the proposal would have any significant adverse effect on the concentration of banking resources or the structure of commercial banking in this relevant area.

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

Financial and Managerial Resources; Future Prospects. Both Northern and Millville have satisfactory financial and managerial resources, and their future prospects are favorable. The resultant bank should also have satisfactory financial and managerial resources and favorable future prospects.

Convenience and Needs of the Community to be Served. The resultant bank will offer a greater variety of deposit services, trust services, and more sophisticated lending services than are presently being offered by Millville. While other banking offices located in the trade area also provide these services, none of these banking offices are in the immediate Millville area. The resultant bank will therefore be able to provide more convenient services to the local area and also be better able to compete with branches of larger banks in the surrounding area.

A review of available information, including the Community Reinvestment Act Statements of the two respective institutions and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Central Counties Bank State College, Pennsylvania	310,794	25	26
to merge with **The Union National Bank of Lewisburg** Lewisburg, Pennsylvania	18,000	1	

Summary report by Attorney General,

January 19, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval
April 9, 1979

Central Counties Bank, State College, Pennsylvania ("Central Counties"), an insured State nonmember bank with total resources of $310,794,000 and total IPC deposits of $259,637,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with The Union National Bank of Lewisburg, Lewisburg, Pennsylvania ("Union National"), with total resources of $18,000,000 and total IPC deposits of $15,876,000. Incident to the merger, the sole office of Union National would become a branch of the resultant bank, increasing the number of its authorized offices to 26.

Competition. Central Counties operates 25 offices: its main office and six branches in Centre County, ten branches in Blair County, four branches in Clinton County and four branches in Mifflin County. Union National operates its sole office in Lewisburg, Union County, which is situated immediately east of Centre County.

The effects of the proposed merger would be most pronounced in Union National's market, which consists of eastern Union County and the adjoining portions of Northumberland County within about 12 road miles of Lewisburg. The area is largely forest land with additional land devoted to agriculture. Light industry, a Federal penitentiary, and Bucknell University, with an enrollment of approximately 3,300, afford additional employment for the area residents. The effective buying income of Union County in 1977 was 8.5 percent below that of the state.

Union National is one of twelve banks opeating a total of 21 offices in this relevant market and holds the ninth largest share, 6.8 percent, of the IPC deposits held by area offices of these banks. Consummation of the proposed merger would have little effect upon the structure of commercial banking in the relevant market, as Central Counties is not now represented there.

Although Union County and Centre County are contiguous, there is no overlapping of service areas as they are separated by a portion of the Appalachian Range and by state forest lands. The closest office of Central Counties to Union National's sole office is some 34 miles in distance. The proposed transaction would have no significant effect on existing competition between the two institutions.

Pennsylvania law permits a commercial bank to branch *de novo* or merge within its home office county and all contiguous counties. Central Counties can thus enter Union County *de novo,* and Union National may similarly enter Centre County. Union National has historically confined its operation to a local market and does not possess the resources necessary to expand into more distant markets. Union County, with a stable population base and a large number of established commercial banks, would appear to hold only limited attraction for *de novo* entry by Central Counties. The county would continue to enjoy a competitive banking climate subsequent to consummation of the proposed transaction, and the loss of some potential for the development of future competition between the proponents is not regarded as having any significant competitive impact.

Central Counties is the second largest of the 41 commercial banks represented in its legal branching area with 15.0 percent of the area's deposits held by such banks. The proposed merger would increase to 15.9 percent Central Counties' deposit share in this area. Similarly, the acquisition of Union National would not materially affect Central Counties' share of the state's commercial bank deposits which would remain at less than one percent.

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

Financial and Managerial Resources; Future Prospects. Both banks have satisfactory financial and managerial resources, as would the resultant bank which is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed merger would bring into the Lewisburg market, the services of another of the region's major banks. The resultant bank would offer a greater variety of deposit and loan services; more intensive marketing of consumer lending, including dealer financing; and a significantly larger legal lending limit. Considerations relating to convenience and needs of the community appear consistent with approval of the application.

A review of available information disclosed no inconsistencies with the purposes of the Community Reinvestment Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Bankers Trust of South Carolina Columbia, South Carolina	684,765	89	97
to merge with **The Peoples Bank of South Carolina, Inc.** Florence, South Carolina	40,744	8	

Summary report by Attorney General, February 9, 1979

We have reviewed the proposal, and concluded that it is permissible.

Basis for Corporation Approval April 23, 1979

Bankers Trust of South Carolina, Columbia, South Carolina ("Bankers Trust"), an insured State nonmember bank with total resources of $684,765,000 and total IPC deposits of $497,656,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with The Peoples Bank of South Carolina, Inc., Florence, South Carolina ("Peoples Bank"), with total resources of $40,744,000 and total IPC deposits of $34,235,000. Incident to the transaction, the eight offices of Peoples Bank would be established as branches of the resultant bank.

Competition. Bankers Trust, based in Columbia, operates 89 full-service offices in 18 counties of central and southwestern South Carolina. It has been a party to 16 merger transactions with commercial banks since 1955 and has pursued an aggressive branching policy. A wholly-owned mortgage subsidiary, Aiken-Speir, Inc., is headquartered in Columbia with its service headquarters located in Florence. Business offices of this subsidiary, which service a mortgage loan portfolio of approximately $381,000,000 (December 31, 1978), are maintained in Charleston, Columbia, Florence and Greenville, South Carolina, and Charlotte, North Carolina.

Peoples Bank was organized in 1965 and operates a total of eight offices in four counties of northeastern South Carolina. The primary service areas of Peoples Bank, which are regarded as the relevant markets in which to assess the competitive impact of the proposed transaction, are delineated as follows: (1) the Florence market, approximated by a 15 road-mile radius of the city of Florence, in which three offices are operated; (2) the Sumter market, approximated by a 15 road-mile radius of the city of Sumter, in which one office is operated; and, (3) the Myrtle Beach market, consisting of a narrow band of ocean front communities in Horry County, in which three offices are operated.

In the Florence, Sumter and Myrtle Beach relevant markets, Peoples Bank holds 10.4 percent, 2.9 percent and 7.7 percent of the respective markets' IPC deposit base. In the Sumter and Myrtle Beach markets, Peoples Bank is the smallest commercial bank represented, while it ranks as the fifth largest of eight commercial banks in the Florence market where it is headquartered. In each of these markets, the state's two largest commercial banks hold market shares significantly larger than those held by Peoples Bank, whose acquisition by Bankers Trust is viewed as having no material adverse effect upon the structure of commercial banking in these relevant markets.

Peoples Bank's Lynchburg office, located in the southern portion of rural Lee County, approximately 20 miles southwest of Florence, is regarded as serving a small local community as it is the only commercial banking office for a distance of more than 10 road miles. In light of the modest volume of deposits held by this office, the proposed transaction would have little effect upon competition or banking structure in this relatively localized, rural area.

The proponents are not currently engaged in any material direct competition as their closest offices are located more than 40 road miles apart in contiguous Richland and Sumter Counties. The merger of Bankers Trust and Peoples Bank is thus regarded as having no significant adverse effect on existing competition.

As South Carolina statutes permit statewide *de novo* branching and merger activity, subject to certain minimum capitalization requirements, each proponent has the potential to branch into the areas now served by the other. Peoples Bank, however, has failed to capture a significant share of deposits in any new market it has entered and has not established a *de novo* branch since June, 1974. Bankers Trust, which possesses the resources and experience necessary for statewide branching, has concentrated its efforts on the principal markets in the central and southwestern portion of the state. Expansion into the northeast portion of South Carolina, and Sumter County in particular, must be regarded as a logical step at some point in time. Bankers Trust's acquisition of Peoples Bank, however, with its relatively modest market shares in areas where the state's two largest banks are firmly established, would not result in the loss of any significant potential for future competition between the proponents.

Bankers Trust is currently the fourth largest commercial bank in South Carolina, holding 11.3 percent of the state's total commercial bank deposits. Its acquisition of Peoples Bank, the state's 22nd largest commercial bank holding a modest 0.7 percent of such funds, would serve to increase the levels of statewide concentration of commercial bank deposits, however, such a modest increase is not regarded as having any major impact upon commercial banking or the concentration of banking resources in South Carolina.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of both proponents are regarded as satisfactory and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed transaction will result in a broader range of commercial banking services available to the present customers of Peoples Bank. While such services are generally available at offices of regional and statewide banks in the areas now served by Peoples Bank, consummation of the proposed transaction will provide an additional alternative source of such services. Considerations relating to convenience and needs of the community are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the two proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Northeast Bank of Lewiston and Auburn Lewiston, Maine	105,030	11	13
to purchase the assets and assume the deposit liabilities of			
Augusta and Waterville Branches of Livermore Falls Trust Company Livermore Falls, Maine	3,910*	2	

* Total IPC deposits of offices to be transferred by Livermore Falls Trust Company. Assets not available by office.

Summary report by Attorney General, July 31, 1978

We have reviewed this proposed transaction and conclude that it would not have a significantly adverse effect upon competition.

Basis for Corporation Approval May 7, 1979

Northeast Bank of Lewiston and Auburn, Lewiston, Maine ("Northeast Bank"), an insured State nonmember bank with total resources of $105,030,000 and total IPC deposits of $81,906,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to purchase the assets of and assume the liability to pay deposits made in the Augusta and Waterville branches of Livermore Falls Trust Company, Livermore Falls, Maine ("Other Bank"). The Augusta and Waterville offices of Other Bank, with aggregate total IPC deposits of $3,910,000, would be established as branches of Northeast Bank, increasing to 13 the number of banking offices operated.

Northeast Bank is a subsidiary of Northeast Bankshare Association, Lewiston, Maine ("Bankshare"), a multi-bank holding company controlling eight commercial banks in Maine with aggregate deposits of $326,726,000, ranking it as the state's fourth largest commercial banking organization, with 13.0 percent of the state's commercial bank deposits. Bankshare affiliates operate a total of 44 offices in eight counties and are most heavily represented in Androscoggin, Cumberland and Penobscot Counties. Other Bank presently operates offices at Livermore Falls and the adjoining community of Jay in west-central Maine, and branches at Augusta and Waterville which are the subject of the current proposal. A branch at Chisholm, near Jay, was closed in early 1978. The Augusta and Waterville offices are located in Kennebec County, approximately 28 road miles southeast and 50 road miles northeast of Livermore Falls, respectively, and are deemed to compete in separate local markets.

Competition. The Augusta office to be acquired is located in a shopping center on a major commercial street in the state's capital city (1970 population 21,945) and competes in a relevant market composed of the city of Augusta and surrounding communities within an approximate 10 mile radius. The local economy is principally based upon activity at various state government bureaus and agencies in Augusta with a veterans hospital at nearby Togus also being an important economic factor.

A total of seven commercial banks operate 21 offices in this relevant market which includes representation by most of the state's largest banking organizations. Neither Northeast Bank nor any Bankshare affiliate is represented in the market. The nearest office of Northeast Bank, which is the nearest office of any Bankshare affiliate, is located approximately 30 road miles southwest, and no significant existing competition is in evidence. Northeast Bank would acquire Other Bank's IPC deposit base of $2,710,000, which represents a nominal 1.9 percent share of the Augusta market. This is seen as having no material effect on the structure of commercial banking in the local market or on the concentration of banking resources in Maine.

The Waterville office to be acquired is located in the downtown business district of Waterville (1970 population 18,192) and competes in a relevant market composed of that city and surrounding communities within an approximate 10 mile radius. The local economy is based upon diversified manufacturing with dairy farming and recreational activities providing some economic stimulus. A total of six commercial banks operate 15 banking offices in this relevant market which includes representation by several of the state's largest banking organizations. Neither Northeast Bank nor any Bankshare affiliate is presently represented in the market. The nearest office of a Bankshare affiliate is located approximately 35 road miles northwest in Farmington, and no significant existing competition is in evidence. Northeast Bank would acquire Other Bank's nominal IPC deposit base of $1,200,000 which represents a

1.7 percent share of the Waterville commercial banking market. This is seen as having no significant effect on the structure of commercial banking in the local market or on the concentration of banking resources in Maine.

Maine statutes permit statewide merger and *de novo* branching activity and each proponent, thus, has the potential to increase future competition by such expansion activity. Other Bank has operated the Augusta and Waterville offices since 1974 as limited service facilities and appears to lack sufficient financial and managerial resources to make a significant market penetration in either of these distant markets. Northeast Bank's acquisition of the Augusta and Waterville offices of Other Bank is viewed as a mechanism permitting Northeast Bank and Bankshare to enter these markets where most of the state's largest banking organizations are already established. This acquisition, thus, would have no significant effect on the potential for future competition between the proponents.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of Northeast Bank appear sufficient to support the acquisition of these two branches and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Northeast Bank proposes to upgrade the Augusta and Waterville offices to full service commercial bank branches providing a number of services not presently available at Other Bank's existing facilities. While such services are available in both Augusta and Waterville at offices of other banks, Northeast Bank's entry into these communities will provide an additional alternate source of such commercial banking services. Considerations of convenience and needs of the communities to be served add some weight in favor of approval of the proposed transaction.

A review of available information, including the proponents' Community Reinvestment Act Statements, disclosed no inconsistencies with the purposes of the Community Reinvestment Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Eastern Ohio Bank Union Township (P.O. Morristown), Ohio	4,696	1	2
to merge with			
The Community Savings Bank Company Yorkville, Ohio	7,933	1	

Summary report by Attorney General, March 30, 1979

We have reviewed this proposed transaction and conclude that it would not have any significant effect on competition.

Basis for Corporation Approval May 7, 1979

The Eastern Ohio Bank, Union Township (P.O. Morristown), Ohio ("Eastern Bank"), an insured State nonmember bank with total resources of $4,696,000 and total IPC deposits of $3,863,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with The Community Savings Bank Company, Yorkville, Ohio ("CSB"), with total resources of $7,933,000 and total IPC deposits of $6,774,000.

Eastern Bank was acquired by and became a wholly-owned subsidiary of First Steuben Bancorp, Inc., Toronto, Ohio ("First Steuben") effective December 1, 1978. First Steuben is a registered multi-bank holding company controlling five commercial banks in eastern Ohio with aggregate total deposits of $209,354,000. On April 2, 1979, the Corporation's Board of Directors granted its consent to the consolidation of three of these subsidiary banks under a new State charter in a transaction that was regarded, essentially, as a corporate reorganization.

Competition. Eastern Bank operates its sole office in western Belmont County approximately 18 road miles west of Wheeling, West Virginia, serving a small localized market whose economy is predicated upon coal mining. CSB operates its sole office in Yorkville, in the southeastern portion of Jefferson County in eastern Ohio, approximately 8 road miles north of Wheeling and 18 road miles south of Steubenville. The area in which CSB competes, which is regarded as the relevant market in which to assess the competitive impact of the proposed transaction, is delineated as the area within a 10 to 12 road-mile radius of the village of Yorkville including southern portions of Jefferson County, adjoining portions of northeastern Belmont County and the nearby city of Wheeling, West Virginia.

The village of Yorkville (1970 population 1,656) is located in the Ohio River Valley along a principal north-south highway connecting Steubenville with the Wheeling area. The economy of the area, within the immediate vicinity of Yorkville, is heavily dependent upon steel production facilities located along the Ohio River. The city of Wheeling (1970 population 48,188) is easily accessible to this portion of the Ohio River Valley and serves as a focal point for retail and commercial activity.

The offices of Eastern Bank and CSB are located approximately 24 road miles apart with little evidence of significant economic interaction between their relative service areas, as the existing highway system serves to focus travel in east-west and north-south directions from the intervening Wheeling urban area. Located in close proximity to Yorkville and CSB's office, however, are two offices of Heritage Bank, N.A. — Steubenville ("Heritage Bank"), the lead bank of First Steuben. Heritage Bank's Tiltonsville office (IPC deposits of $5,770,000) is located approximately 2 road miles north of CSB while Heritage Bank's office at Brilliant is located approximately 10 road miles distant. Both of these offices are regarded as being in direct competition with CSB. Consummation of the proposed transaction would serve to eliminate this existing competition between CSB and First Steuben and, similarly, foreclose the possibility for increased future competition between these two banking organizations. In light of the modest level of deposits generated at CSB since its organization in 1947, however, the proposed transaction is viewed as having little significant effect upon existing or potential competition between the two banking organizations.

In the relevant market a total of 15 commercial banks operate 25 banking offices. Heritage Bank ranks as the eighth largest commercial bank in the market, holding 3.6 percent of its IPC deposit base, while CSB ranks as its second smallest banking organization, holding a modest 1.5 percent of such funds. Eastern Bank is not represented in this market. The effect of the proposed transaction would be to increase First Steuben's share of the market's IPC deposits to approximately 5.0 percent, which is not regarded as having any significant impact upon the structure of commercial banking in the relevant market.

Ohio statutes permit statewide holding company expansion. First Steuben, which has confined its activities to a relatively small geographic region of eastern Ohio, holds only 0.56 percent of the state's total commercial bank deposits, and would acquire CSB's nominal 0.02 percent share. The proposed transaction thus is regarded as having no material effect upon the concentration of deposits or banking resources in the State of Ohio.

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

Financial and Managerial Resources; Future Prospects. Considerations relating to financial and managerial resources have been satisfactorily resolved, and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Consummation of the proposed transaction is anticipated to result in the introduction of a broader range of commercial banking services at the resultant bank which should accrue to the benefit of the present customers of CSB. Considerations relating to convenience and needs of the community are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the two proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Citizens and Farmers Bank West Point, Virginia	36,704	2	4
to merge with			
The Colonial Bank Providence Forge, Virginia	7,542	2	

Summary report by Attorney General,
March 9, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantially adverse effect upon competition.

Basis for Corporation Approval
May 7, 1979

Citizens and Farmers Bank, West Point, Virginia ("Citizens"), an insured State nonmember bank with total resources of $36,704,000 and total IPC deposits of $30,786,000, 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 Colonial Bank, Providence Forge, Virginia ("Colonial"), with total resources of $7,542,000 and total IPC deposits of $5,154,000. The banks would merge under the charter and title of Citizens and, incident to the merger, the two existing offices of Colonial would become branches of the resultant bank, increasing the number of its offices to four.

Competition. Both banks are located in southeastern Virginia, between Richmond and Newport News. The closest offices of the proponents are separated by approximately 18 road miles with no intervening offices of other commercial banks. The Pamunkey and York Rivers serve as natural barriers separating most of the banks' service areas. The only connecting point is at West Point, resulting in some overlap in service areas.

The effect of the proposed merger would be most direct and immediate in New Kent and Charles City Counties, Virginia, the primary service area of Colonial. At their closest point, New Kent and Charles City Counties are 7 and 10 miles, respectively, from the city limits of Richmond and run to within 27 and 22 miles, respectively, of Newport News. The area is mainly rural and sparsely populated with nominal industrial activities. The 1977 effective household buying income of New Kent and Charles City Counties was $11, 155 and $8,684, respectively, well below the state average of $14,524. Because of the close proximity of Richmond, many of the residents of the area commute there for employment and other business activities. Colonial is the only commercial bank represented in this two-county area. The closest commercial banks are approximately ten miles from Quinton Branch, and 15 miles from the main office, in the suburbs of Richmond. While Colonial does not actively compete in the Richmond market, the banks in that area provide convenient alternatives for residents of New Kent and Charles City Counties who work or shop in the Richmond area. This transaction will serve to substitute one independent bank for another and while some existing competition will be eliminated, it is not considered significant.

While state statutes would allow increased future competition through *de novo* branching, it appears unlikely that this would develop. Colonial does not have sufficient financial and managerial resources to mount any significant expansion program, and the limited deposit potential of Colonial's two-county market area makes it a less than desirable area for Citizens to enter *de novo.*

The proposed merger would not eliminate any significant existing or potential competition between Citizens and Colonial, nor would it have any appreciable effect on the commercial banking structure of any relevant market.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of both proponents are regarded as satisfactory for purposes of the proposed transaction, and the resultant bank would appear to have favorable future prospects.

Convenience and Needs of the Community to be Served. Consummation of the proposed merger would make available expanded services, increased lending limits, and trust services to Colonial's customers. Considerations relating to convenience and needs of the community appear consistent with approval of the application.

A review of available information disclosed no inconsistencies with the purposes of the Community Reinvestment Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Merchants Bank Burlington, Vermont	119,133	12	12
to merge with			
Batreal, Inc. Barre, Vermont	—	—	
and			
Merchants Properties, Inc. Burlington, Vermont	—	—	

Summary report by Attorney General, March 30, 1979

The proposed merger involves two 100% owned real estate subsidiary corporations; is essentially a corporate reorganization; and would have no effect on competition.

Basis for Corporation Approval May 21, 1979

The Merchants Bank, Burlington, Vermont ("Merchants"), an insured State nonmember bank with total resources of $119,133,000 and total IPC deposits of $100,947,000, 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 Batreal, Inc., Barre, Vermont ("Batreal"), and Merchants Properties, Inc., Burlington, Vermont ("MPI"), noninsured, nonbanking entities wholly-owned by Merchants. The proposed transaction would be effected under the charter and title of Merchants.

Competition. Batreal was formed by The Barre Trust Company, Barre, Vermont, prior to its merger with Merchants. MPI was formed in 1958 by The Merchants National Bank, predecessor to Merchants. Both Batreal and MPI were organized for the purpose of holding and managing real estate necessary for the conduct of banking business. Essentially this transaction is an internal reorganization which would result in returning title of the real estate to Merchants. The proposed transaction would have no effect on existing or potential competition between the proponents or on the structure of commercial banking in any relevant area.

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

Financial and Managerial Resources; Future Prospects. Financial and managerial resources of all parties to the proposed transaction are satisfactory and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed merger would not have any effect on the convenience and needs of the community to be served.

A review of available information disclosed no inconsistencies with the purposes of the Community Reinvestment Act. The resultant bank is anticipated to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First State Bank Waynesboro, Mississippi	34,041	4	7
to merge with			
Bank of Leakesville Leakesville, Mississippi	18,658	3	

Summary report by Attorney General, March 30, 1979

There appears to be little likelihood that present competition between Applicant and Bank will be increased as a result of *de novo* expansion, in view of their small size and the absence of suitable population centers in Wayne and Greene Counties in which either might establish a *de novo* branch. Moreover, current Mississippi law requires that Leaksville have a population of 3,100 in order for a *de novo* branch to be opened and its current population is 1,200.

Basis for Corporation Approval June 18, 197

First State Bank, Waynesboro, Mississippi ("FSB"), an insured State nonmember bank with total resources of $34,041,000 and total IPC deposits of $26,625,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with Bank of Leakesville, Leakesville, Mississippi ("BOL"), with total resources of $18,658,000 and total IPC deposits of $14,755,000. Incident to the transaction, the three offices of BOL would be established as branches of FSB.

Competition. FSB, headquartered in the town of Waynesboro (1970 population 4,368), operates limited service facilities at Waynesboro (Northside) and Clara (estimated population 200), approximately 8 road miles southwest; and a drive-up facility at Buckatunna (estimated population 350), approximately 12 road miles southeast, all within Wayne County in southeastern Mississippi. BOL, headquartered in the town of Leakesville (1970 population 1,090) in Greene County, operates branches near Lucedale (1970 population 2,060), approximately 22 road miles south, and at State Line (1970 population 598), approximately 22 road miles northeast.*

Wayne County (1970 population 16,650), located in rural southeastern Mississippi, has a diversified economy encompassing manufacturing, timber production, livestock, agriculture, and oil production. Its 1977 median household buying level of $8,678, while significantly lower than the state figure, compares favorably with other nearby areas. Greene County (1970 population 8,545), located adjoining and immediately south of Wayne County, has an economy predicated chiefly on agriculture and timber production, with its 1977 median household buying level of $6,445 ranking as one of the lowest in the state. In light of the sparse population and limited economic significance of BOL's trade area and considering the distances between banking offices in this rural area, the relevant markets in which to assess the competitive impact of the proposed transaction are delineated as the area within an approximate 15 road mile radius of each of BOL's three offices.

The proponents' closest offices are located approximately 8 road miles apart in the State Line market near the Wayne and Greene county Line. FSB's Buckatunna office is a limited service drive-up facility consisting of only one drive-in window and a single walk-up lobby teller station providing for only deposit and payment functions. The proximity of this office to the State Line branch of BOL indicates that some existing competition between the proponents would be eliminated by the proposed transaction.

In the relatively small State Line relevant market, FSB's Buckatunna facility, established in 1966, holding an estimated $2,687,000 in IPC deposits; BOL's State Line Branch, established in 1947, holding $3,463,000 in IPC deposits; and an Alabama-based commercial bank holding $12,445,000 in IPC deposits, comprise all of the commercial banking alternatives. While the proposed transaction would reduce from three to two the number of commercial banks represented in the market, it is noted that neither FSB nor BOL has generated a significant deposit base through these offices. The Mississippi portion of this area had a 1970 population of 4,280 distributed over some 250 square miles, or about 17 persons per square mile. Nevertheless, the proposed merger is viewed as having some adverse impact upon the structure of commercial banking and the concentration of banking resources in this local market.

In the Leakesville and Lucedale relevant markets, FSB in not represented. BOL's Leakesville main office with IPC deposits of $9,411,000 is the only commercial banking office for a distance of approximately 20 road miles. Its office near Lucedale, established in 1969, holds IPC deposits of only $1,881,000 and has failed to develop a significant share of the market's deposit base with the two larger, locally-based commercial banks aggregately controlling 94.1 percent of the market's IPC deposits. FSB's acquisition of BOL's offices at Leakesville and Lucedale is not regarded as having any significant impact upon the structure of commercial banking or the concentration of banking resources in their respective markets.

Mississippi statutes permit *de novo* branching within a 100-mile radius of a bank's home office, subject to certain minimum capitalization requirements and home office protection provisions. There are no communities of sufficient size in Greene County open to branching to encourage *de novo* entry by FSB. In the Lucedale relevant market in George County, such expansion is feasible for FSB, however, such an occurrence seems remote in light of the presence of established locally-based banks and the

* Principals holding stock control of First State Bank acquired stock control of Bank of Leakesville in October, 1978. Since the current affiliation of the two banks has not heretofore been subject to regulatory scrutiny, the affiliation is of no persuasive value in determining, for purposes of the Bank Merger Act, what competitive impact, if any, the proposed transaction may have. Therefore, the Board of Directors has ignored the affiliation in its assessment of the proposal.

distance and lack of easy access from its present base of operation. BOL, for its part, would be unlikely to enter the distant Waynesboro market to compete directly with the banks represented there. Therefore, there appears to be no significant potential for increased competition to develop between the proponents in the foreseeable future.

The Board of Directors is of the opinion that the proposed merger would eliminate some existing competition between FSB and BOL and would somewhat increase concentration in the local market. It would not, however, in any section of the country, substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of FSB and the resultant bank are satisfactory. The financial resources of BOL would be considerably improved as part of a combined bank which would serve to outweigh the somewhat negative competitive aspects of the proposed transaction. The resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Consummation of the proposed transaction will have little effect on the level and pricing of commercial banking services in the areas served by the proponents. Considerations relating to convenience and needs are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Central Savings Bank Baltimore, Maryland	114,888	8	12
to merge with **Arlington Federal Savings and Loan Association** Baltimore, Maryland	48,959*	4	

* Total time and savings deposits.

Summary report by Attorney General, May 11, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval
June 25, 1979

Central Savings Bank, Baltimore, Maryland ("CSB"), an insured mutual savings bank with total resources of $114,888,000 and total time and savings deposits of $97,257,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with Arlington Federal Savings and Loan Association, Baltimore, Maryland ("Association"), a Federally-insured savings and loan association with total time and savings deposits of $48,959,000, upon the latter institution's conversion to a State charter. Incident to the merger, the four offices of Association would be established as branches of Central Savings Bank, increasing to 12 the number of offices operated.

Competition. CSB, based in the commercialized "downtown" portion of the City of Baltimore, operates two branches in the City of Baltimore, and five in neighboring Baltimore and Anne Arundel Counties. Association, also headquartered in "downtown" Baltimore, operates three branch offices in Baltimore County. Both institutions are regarded as competing for funds throughout the metropolitan Baltimore area which is regarded as the relevant market in which to assess the competitive impact of the proposed transaction. This market is delineated as the area within an approximate 20 mile radius of the proponents' head offices in Baltimore and contains a population estimated to be in excess of 1,500,000. The area enjoys a broad economic base with heavy industry and commercial activity prevalent in the central city and residential and light industrial development in surrounding areas.

A total of 54 thrift institutions operate 209 offices in this market with the four largest institutions aggregately holding 52.9 percent of the area's thrift institution deposits. CSB is ranked as the market's 8th largest thrift institution, holding 2.2 percent of its thrift institution deposits, while Association is ranked 20th and holds a mere 1.1 percent share of such funds. The resultant institution would increase its market share of thrift institution deposits to 3.3 percent and rank as the 6th largest institution, but would remain substantially smaller than the larger thrift institutions already well established in the market. The proposed transaction is regarded as having no material effect on the structure of thrift institution banking or the concentration of resources in the relevant market.

The proximity of the proponents' head offices, located on opposite corners of a major "downtown" Baltimore intersection, and of a branch of CSB located in a suburban shopping center across a major traffic artery from another shopping center containing a branch office of Association, indicates that the proponents are presently in direct competition and that some existing competition would be eliminated by consummation of the proposed transaction. Similarly, as Maryland statutes permit state-wide *de novo* branching, each proponent has the potential to actively expand its operation by this means. Such action could serve to increase competition between these two institutions. There is, however, evidence of intense competition for thrift deposits in the Baltimore market; and in light of the proponents' relatively modest size in relation to other Baltimore thrift institutions, the proposed transaction is seen as having no significant adverse effect on either existing competition or on the potential for future competition.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of each proponent are considered adequate for purposes of this proposal. The resultant bank would have satisfactory financial and managerial resources, and its future prospects would appear favorable.

Convenience and Needs of the Community to be Served. The proposed transaction would result in no substantial change in the services now available in the market. Considerations of convenience and needs of the community are consistent with approval of the application.

A review of available information, including the Community Reinvestmeft Act Statements of the proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Peoples Westchester Savings Bank Tarrytown, New York	767,010	14	17
to merge with **Westchester County Savings and Loan Association** Ossining, New York	28,787*	3	

* Total deposits.

Summary report by Attorney General, June 27, 1979

We have reviewed this proposed transaction and conclude that it would not have a significantly adverse effect upon competition.

Basis for Corporation Approval June 25, 1979

Peoples Westchester Savings Bank, Tarrytown, New York ("Peoples"), an insured mutual savings bank with total resources of $767,010,000 and total deposits of $707,784,000, 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 Westchester County Savings and Loan Association, Ossining, New York ("S&L"), a Federally insured mutual savings and loan association, with total deposits of $28,787,000. The two institutions would merge under the charter and with the title of Peoples and, incident to the merger, the three offices of S&L would become branches of the resultant bank, which would commence operating with a total of 17 offices.

Competition. The main office and 13 branches of Peoples, as well as the three offices of S&L, are all located in Westchester County. Westchester County is situated immediately north of New York City and is part of the New York-New Jersey SMSA that consists of the five boroughs of New York City, as well as Putnam, Rockland, and Westchester Counties in New York, and Bergen County in New Jersey. These areas all have close economic ties, with significant commutation among them for work, shopping and leisure. In addition, thrift institutions, particularly the large New York City-based thrifts, advertise throughout the area and there is intense competition in the region. The 1970 population of the New York-New Jersey SMSA was 9,973,577, and there are 849 offices of 144 thrift institutions with total deposits of $64,165,776,000. The effect of this proposal would be insignificant in this area.

The closest offices of the proponents are less than one mile apart, with no intervening offices of other thrift institutions. In spite of this there are alternatives available in the vicinity. In Westchester County alone there are 120 offices of 40 thrift institutions and the commutation patterns of area residents suggest that the thrift institutions outside the county have a substantial competitive impact within the county. The competition that would be eliminated by this merger is not considered to be substantial.

New York law restricts *de novo* expansion by a mutual savings bank to one branch each year. The development of a significant increase in competition through such expansion is therefore limited. Further, the intense competition existing among thrift institutions in the New York City area minimizes the competitive significance of additional *de novo* branching activity.

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

Financial and Managerial Resources; Future Prospects. S&L's financial condition is regarded as less than satisfactory as a result of significant potential losses in its security portfolio, low capitalization, poor earnings retention, and heavy borrowings. The financial condition of Peoples is considered to be sound and generally free of such criticism. The resultant institution would have the resources to absorb the losses of S&L and correct the other deficiencies, within the framework of a financially sound thrift institution. Considerations relating to managerial resources and the future prospects of the resultant institution have been satisfactorily resolved and outweigh any adverse competitive effects.

Convenience and Needs of the Community to be Served. Some benefit would accrue to the customers of S&L from the broadening of loan and deposit services and expanded banking hours at the present offices of S&L; however, the proposed transaction is expected to have little material impact upon convenience and needs of the community as such services are readily available at offices of other thrift institutions in the areas served by the proponents. Considerations of convenience and needs of the communities to be served are consistent with approval of the transaction.

A review of available information, including the proponents' Community Reinvestment Act Statements, disclosed no inconsistencies with the purposes of the Community Reinvestment Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Dime Savings Bank of New York New York (Brooklyn), New York	4,533,904	14	22
to merge with **Mechanics Exchange Savings Bank** Albany, New York	272,478	8	

Summary report by Attorney General, November 17, 1978

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval July 16, 1979

The Dime Savings Bank of New York, New York (Brooklyn), New York ("Dime"), an insured mutual savings bank with total resources of $4,553,904,000 and total deposits of $4,157,822,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with Mechanics Exchange Savings Bank, Albany, New York ("MESB"), an insured mutual savings bank with total resources of $272,478,000 and total deposits of $251,361,000, and to establish the eight offices of MESB as branches of the resultant institution.

Competition. The Applicant presently operates 13 branches and 16 EFTU facilities in Kings, Queens, New York, Nassau, and Suffolk Counties in the extreme southeastern portion of New York State. MESB, headquartered in Albany, operates 4 branches within Albany County and a branch office in each of Saratoga, Schoharie and Oneonta Counties.

The relevant market in which to assess the competitive impact of the proposed merger is regarded primarily as the area within a 15 road-mile radius of the City of Albany from which MESB derives the bulk of its deposits. While subject operates a single branch office in each of the communities of Oneonta, Wilton Township and Cobleskill, these offices are of modest size and their acquisition by Dime would have only minimal competitive impact.

A total of 14 thrift institutions are represented in the Albany market. MESB, ranking as this market's seventh largest thrift institution, holds only 5.9 percent of the area's thrift institution deposit base. The two largest thrift institutions in this market aggregately hold 44.1 percent of its thrift institution deposits, and with 18 banking offices are regarded as dominant. Dime's acquisition of MESB would have no significant adverse effect upon the competitive structure of thrift banking in this relevant market.

The Department of Justice concluded that consummation of this proposal would not result in any substantial competitive impact and the Comptroller of the Currency and the Federal Reserve Board concurred that Dime's acquisition of MESB would have no adverse competitive effect.

The proponents' closest offices are located approximately 140 road miles apart, and there is no significant existing competition between the two institutions which would be eliminated by consummation of the proposed transaction. New York State statutes restrict *de novo* branch expansion by mutual savings banks to a single office per year. Thus, the potential for the development of significant competition between Dime and MESB through such expansion is limited.

Dime is the second largest of the state's mutual savings banks holding approximately 5.5 percent of their aggregate deposits. Its acquisition of MESB, the state's 63rd largest mutual savings bank, would add a nominal 0.3 percent to that total, which would have little effect upon the concentration of thrift institution deposits in New York State.

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

Financial and Managerial Resources; Future Prospects. Both proponents have satisfactory financial and managerial resources, as would the resultant institution, which would appear to have favorable future prospects.

Convenience and Needs of the Community to be Served. Consummation of the proposed transaction would make available a broader range of consumer loans and larger mortgage loans with a greater variety of financing arrangements than presently available through MESB. Dime's experience with electronic funds transfer units and their planned introduction in communities served by MESB should accrue to the benefit and added convenience of its customers.

A Statement in Opposition to the proposed merger has been filed on behalf of New York Public Interest Research Group, Inc. ("NYPIRG") and other community interest groups, urging the FDIC to deny the application based upon Dime's record of meeting local credit needs. Considerable correspondence from individuals and groups commenting upon the proposed merger and upon Dime's lending record have been recieved by the FDIC. The FDIC recognizes its responsibility to weigh carefully all comments and views received and to conduct a thorough investigation of the lending and Community Reinvestment Act practices of the proponents to the proposed merger.*

In order to provide a forum for the presentation of oral comments and opinions, an informal proceeding was held in New York City on April 24, 1979, from 3:15 p.m. to 8:15 p.m., before representatives of the FDIC's

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* The Community Reinvestment Act of 1977 (12 U.S.C. 2901) requires that the Corporation assess the record of the proponents to the proposed transaction in meeting the credit needs of their respective, entire communities, including low- and moderate-income neighborhoods. With the exception of several neighborhoods located in Brooklyn, no serious objections have been raised to the lending practices in communities served by the proponents. Dime's Community Reinvestment Act Statement delineates all of Kings County (Brooklyn), without exception, as a part of its community.

New York Regional Office, including the Regional Director, and the New York State Banking Department, including the Superintendent of Banks. At that proceeding, senior management officials of Dime, representatives of NYPIRG, and other members of the public were afforded an opportunity to make their views known.

Data and figures submitted by Dime with the application and subsequent thereto, including a source and disposition of funds schedule, indicate that Dime is providing mortgage funds throughout Kings County (Brooklyn) and the remainder of its primary service area, consistent with the safe and sound operation of the institution. Objections raised by the community groups regarding restrictive lending practices were thoroughly reviewed; and, in addition, a CRA assessment of the institution was conducted in order to impartially assess the relevant evidence presented by both the community groups and the Applicant. Based on this in-depth review, it is concluded that Dime has made available mortgage funds in Brooklyn, even during recent periods of "tight money" and disintermediation. The figures show a substantial investment of available resources within the bank's primary market area since CRA was enacted in 1977. This continuing effort, coupled with a new bank policy not to lend out-of-state in 1979, is expected to provide even more near-term mortgage availability to the residents of Dime's market area.

However, there was found a need for additional effort by the bank to reach some pockets of low- and moderate-income residents. In this regard, the State of New York has conditioned its approval on the establishment by the bank of a Division of Community Affairs, which will have the responsibility of consulting with and assisting local individuals and groups as well as advising senior bank officials and branch managers how effectively to carry out their responsibilities under CRA.

The special review of Dime's Community Reinvestment Act Statement and lending practices was conducted by Corporation examiners on March 2, 1979 and disclosed no inconsistencies with the purposes of the Act. A similar review of the Community Reinvestment Act Statement and lending practices of MESB also disclosed no inconsistencies. No serious objections to the lending practices of MESB have been raised by any community interest group in opposition to the proposed merger. The Board of Trustees of Dime have officially concluded that if this proposal is consummated, Dime will not only continue the present annual level of mortgage loans in the MESB service area, but also will follow Dime's broader lending policies and endeavor to increase the level of mortgage loans in the Mechanics Exchange Division consistent with this service area's demand.

The FDIC considers this case as evidence of the effectiveness of the CRA process, drawing together the State and Federal regulators, local community groups and the bank in a common effort to insure the maximum feasible commitment to the local area, together with a program for continuing affirmative actions. A key factor in this case was the interest and effort of local groups in calling attention to the bank and to the regulators their concerns and needs.

Considerations relating to the convenience and needs of the community to be served are consistent with approval of the application.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Bank of America National Trust and Savings Association San Francisco, California	53,966,405*	1,101[1]	1,101[1]
to acquire the assets and assume the deposit liabilities of			
The Rosario Branch of Banco Aleman Transatlantico Buenos Aires, Argentina	4,673	1	

* Total domestic resources.

[1] Domestic offices.

Summary report by Attorney General, March 30, 1979

We have reviewed this proposed transaction and conclude that it would not have any adverse effect on competition.

Basis for Corporation Approval July 30, 1979

Bank of America National Trust and Savings Association, San Francisco, California ("BA"), with total domestic resources of

$53,966,405,000 and total domestic deposits of $41,346,739,000, 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 and assume the liabilities of the Rosario Branch of Banco Aleman Transatlantico, Buenos Aires, Argentina ("BAT"). The branch has total resources of $4,673,000 and total deposits of $3,783,000. BAT is a noninsured banking corporation operating in Argentina as a subsidiary of Deutsche Bank A. G., Frankfurt, Federal Republic of Germany. BA's application to the Board of Governors of the Federal Reserve System for permission to establish a branch at BAT's location in Rosario City was approved December 18, 1978.

Competition. The proposed transaction would have a negligible effect on BA's domestic and foreign markets. The effect of this proposal would be to substitute BA for BAT in the Rosario, Argentina market in which BA is not presently represented.

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of BA are regarded as satisfactory for the purpose of this transaction, and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. The proposal would have no perceptible effect on the convenience and needs of any of BA's domestic markets or on the Rosario market.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Community Bank & Trust Company Tulsa, Oklahoma	43,970	2	2
to merge with **Community Banksite, Inc.** Tulsa, Oklahoma	—	—	

Summary report by Attorney General, May 11, 1979

The proposed merger involves a 100% owned real estate subsidiary corporation; is essentially a corporate reorganization; and would have no effect on competition.

Basis for Corporation Approval July 30, 1979

Community Bank & Trust Company, Tulsa, Oklahoma ("Bank"), an insured State nonmember bank with total resources of $43,970,000 and total IPC deposits of $27,427,000, 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 Community Banksite, Inc., Tulsa, Oklahoma ("Banksite"), a noninsured, nonbanking entity wholly owned by Bank. The proposed merger transaction would be effected under the charter and title of Bank.

Competition. Banksite was formed in 1968 by Bank for the purpose of holding and managing real estate necessary for the conduct of banking business. The transaction is essentially an internal reorganization which would result in title to the real estate being returned to Bank. The proposed transaction would have no effect on existing or potential competition between the proponents or on the structure of commercial banking in any relevant area.

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

Financial and Managerial Resources; Future Prospects. Financial and managerial resources of each party to the proposed transaction are satisfactory, and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed merger would have no effect on the convenience and needs of the community to be served.

A review of available information, including the Community Reinvestment Act Statement and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is anticipated to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Scotiabank de Puerto Rico (in organization) San Juan (Hato Rey), Puerto Rico	—	—	7
to merge with			
Banco Mercantil de Puerto Rico, Inc. San Juan (Rio Piedras), Puerto Rico	150,943	3	
and			
to acquire the assets and assume the deposit liabilities of			
Puerto Rican branches of The Bank of Nova Scotia Halifax, Canada	430,596*	4	

* Total deposits of offices to be transferred by The Bank of Nova Scotia. Assets not available by office.

Summary report by Attorney General, October 20, 1978

We have reviewed this proposed transaction and conclude that it is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval July 30, 1979

Pursuant to Sections 5 and 18(c) and other provisions of the Federal Deposit Insurance Act, applications have been filed for Federal deposit insurance on behalf of Scotiabank de Puerto Rico, San Juan (Hato Rey), Puerto Rico ("Scotiabank"), a proposed new bank in organization, and for consent to its merger with Banco Mercantil de Puerto Rico, Inc., San Juan (Rio Piedras), Puerto Rico ("Mercantil") (total resources $150,943,000; total deposits $124,593,000), an insured Commonwealth chartered nonmember bank, and for consent to purchase certain assets of and assume the liability to pay certain deposits made in the Puerto Rican branches of The Bank of Nova Scotia, Halifax, Canada ("BNS") (total branch deposits $430,596,000) a noninsured foreign bank, under the charter and with the title of Scotiabank. Incident to the transaction, three offices of Mercantil and the four Puerto Rican branches of BNS would become offices of the resulting bank with the San Juan (Hato Rey) branch of BNS designated as the main office.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which BNS may consolidate most of its operations in Puerto Rico. BNS has four branches in Puerto Rico and, since June of 1975, it has had a controlling interest in Mercantil. The transaction would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

Financial and Managerial Resources; Future Prospects. Mercantil's financial condition is regarded as less than satisfactory because of inadequate capital, poor earnings retention and a high volume of nonearning assets. The financial condition of BNS has proven to be sound and generally free of such criticism. The resultant institution should, therefore, have the resources to correct Mercantil's deficiencies within the framework of a financially sound, Federally insured banking institution. Considerations relating to managerial resources and the future prospects of the resultant institution have been satisfactorily resolved.

Convenience and Needs of the Community to be Served. The resulting bank would provide services not presently offered individually by the participating institutions. New services include higher rates on regular savings accounts for customers of BNS; a larger lending limit for customers of Mercantil; deposit insurance for customers of BNS; and computerized demand deposits and instalment loans for customers of both banks. The proposed transaction, however, is expected to have little material impact on convenience and needs of the community as such services are readily available at offices of other banking institutions in the areas served by the proponents.

A review of available information, including the Community Reinvestment Act Statement and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First Marine Bank & Trust Company of the Palm Beaches Riviera Beach, Florida	179,879	8	14
to merge with			
First Marine National Bank and Trust Company of Lake Worth Lake Worth, Florida	116,385	4	
and			
First Marine National Bank & Trust Company, Jupiter, Tequesta Tequesta, Florida	66,242	2	

Summary report by Attorney General,
March 9, 1979

The merging banks are all wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
August 6, 1979

First Marine Bank & Trust Company of the Palm Beaches, Riviera Beach, Florida ("First Marine"), an insured State nonmember bank with total resources of $179,879,000 and total IPC deposits of $151,118,000, 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 First Marine National Bank and Trust Company of Lake Worth, Lake Worth, Florida ("Lake Worth"), with total resources of $116,385,000 and total IPC deposits of $97,441,000, and First Marine National Bank & Trust Company, Jupiter/Tequesta, Tequesta, Florida ("Tequesta"), with total resources of $66,242,000 and total IPC deposits of $56,079,000. These banks would merge under the charter and title of First Marine and, incident to the transaction, the four offices of Lake Worth and the two offices of Tequesta would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which First Marine Banks, Inc., Riviera Beach, Florida ("Parent"), a bank holding company, may consolidate its operations in the State of Florida. The proponents have been under common control since their acquisition by Parent (First Marine — 1964; Lake Worth and Tequesta — 1973). The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the Community Reinvestment Act Statement of the three respective institutions and other relevant material, indicates no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Waccamaw Bank and Trust Company Whiteville, North Carolina (change title to United Carolina Bank, Whiteville)	297,940	46	55
to merge with **Cape Fear Bank & Trust Company** Fayetteville, North Carolina	39,400	7	
and **Capitol National Bank** Raleigh, North Carolina	12,246	2	

Summary report by Attorney General, May 22, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval August 13, 1979

Waccamaw Bank and Trust Company, Whiteville, North Carolina ("Waccamaw"), an insured State nonmember bank with total resources of $297,940,000 and total IPC deposits of $226,968,000, 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 Cape Fear Bank & Trust Company, Fayetteville, North Carolina ("Cape Fear"), an insured State nonmember bank with total resources of $39,400,000 and total IPC deposits of $31,160,000, and Capitol National Bank, Raleigh, North Carolina ("Capitol"), with total resources $12,246,000 and total IPC deposits of $7,985,000. These banks would merge under the charter of Waccamaw and with the title "United Carolina Bank, Whiteville" and, incident to the transaction, the eight offices (including one approved but unopened) of Cape Fear and the two offices of Capitol would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which United Carolina Bancshares Corporation, Whiteville, North Carolina ("United"), a bank holding company, may consolidate its operations in eastern North Carolina. United has one other banking subsidiary which is located in south-central North Carolina. The proponents have been under common control since 1973. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the Community Reinvestment Act Statements of each of the three banks, discloses no inconsistencies with the purposes of the Community Reinvestment Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Florida Coast Bank of Pompano Beach Pompano Beach, Florida (change title to Florida Coast Bank of Broward County)	176,596	6	10
to merge with **Florida Coast Bank of Coral Springs, National Association** Margate, Florida	42,655	4	

Summary report by Attorney General, February 26, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval August 20, 1979

Florida Coast Bank of Pompano Beach, Pompano Beach, Florida ("Pompano Beach"), an insured State nonmember bank with total resources of $176,596,000 and total IPC deposits of $138,362,000, 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 Florida Coast Bank of Coral Springs, National Association, Margate, Florida ("Margate"), with total resources of $42,655,000 and total IPC deposits of $32,029,000. These banks would merge under the charter of Pompano Beach and with the title "Florida Coast Bank of Broward County" and, incident to the transaction, the four offices of Margate would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Florida Coast Banks, Inc., Pompano Beach, Florida ("FCB"), a bank holding company, may consolidate its operations in Broward County. The proponents have been under common control since 1974. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managererial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal, and the future prospects of the resultant bank appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the Community Reinvestment Act Statements of both banks, discloses no inconsistencies with the purposes of the Community Reinvestment Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First American Bank of Dade County North Miami, Florida	67,522	1	2
to merge with **First American Bank of Homestead** Homestead, Florida	16,344	1	

Summary report by Attorney General, April 20, 1979

The merging banks are both majority-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval August 20, 1979

First American Bank of Dade County, North Miami, Florida ("Applicant"), an insured State nonmember bank with total assets of $67,522,000 and total IPC deposits of $56,895,000, 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 First American Bank of Homestead, Homestead, Florida ("Other Bank"), an insured State nonmember bank with total assets of $16,344,000 and total IPC deposits of $11,611,000. These banks would merge under the charter and title of Applicant and, incident to the transaction, the sole office of Other Bank would be established as a branch of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which American Bankshares, Inc., North Miami, Florida, a bank holding company, may consolidate its operations in the North Miami-Homestead banking market. The proponents have been commonly controlled by American Bankshares, Inc. since 1973. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal, and the resultant bank's future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the Community Reinvestment Act Statement of both banks, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First Bank New Haven, Connecticut	469,704*	30	35
to acquire the assets and assume the deposit liabilities of			
The Guaranty Bank and Trust Company Hartford, Connecticut	39,995	5	

* Domestic resources.

Summary report by Attorney General, no report received.

Basis for Corporation Approval
August 27, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, an application has been filed on behalf of First Bank, New Haven, Connecticut, an insured State nonmember bank with total domestic resources of $469,704,000 and total domestic IPC deposits of $365,265,000, for the Corporation's consent to acquire the assets of and assume the liability to pay deposits made in The Guaranty Bank and Trust Company, Hartford, Connecticut ("Guaranty Bank"), with total resources of $39,995,000 and total IPC deposits of $33,805,000. Incident to the transaction, the five offices of Guaranty Bank will be established as branches of First Bank. The proposed transaction is inseparable from a companion application filed with the Board of Governors of the Federal Reserve System whereby FirstBancorp, Inc., New Haven, Connecticut ("Bancorp"), parent of First Bank, seeks to aquire the outstanding shares of stock of the two commercial banks affiliated with Guaranty Bank, which together presently form The Connecticut BancFederation, Inc., Hartford, Connecticut ("CBF). Upon consummation of the related transactions, CBF and Guaranty Bank will be liquidated.

Competition. First Bank operates 30 offices in south-central Connecticut and a single foreign office in the Cayman Islands. While centered chiefly in New Haven and heavily represented in that city and surrounding communities, First Bank operates a branch network encompassing approximately 50 miles of Connecticut coastline from Milford in the west to New London in the east, as well as offices in the Wallingford area north of New Haven. Guaranty Bank operates a total of five offices in the city of Hartford and in the adjoining town of West Hartford in north-central Connecticut.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the primary service area of Guaranty Bank which includes the city of Hartford and the adjacent communities of East Hartford, Wethersfield, and West Hartford. This area contains an estimated 1970 population in excess of 300,000 and has a diversified economic base encompassing governmental services, commerce and heavy industry. Hartford is the state capital and contains a large, well-established insurance industry.

The trade areas of First Bank and Guaranty Bank are separate and distinct with their closest offices approximately 25 road miles distant. The intervening Meridan SMSA (1970 population 55,959) and the New Britain SMSA (1970 population 145,269) serve to effectively separate the Hartford relevant market from areas now served by First Bank. Affiliates of Guaranty Bank, based in New

Britain and Terryville, whose closest offices are located approximately 12 and 31 road miles, respectively from the nearest office of First Bank, are regarded as also serving distinctly separate markets and do not compete, to any significant degree, with First Bank. The proposed transaction, therefore, would not eliminate any significant existing competition between the two banking organizations involved.

In the Hartford relevant market a total of seven commercial banks are represented, with Guaranty Bank holding a modest 2.2 percent share of the market's commercial bank IPC deposit base. The area is dominated by the state's two largest commercial banks, both of which are based in Hartford, which aggregately hold an 88.1 percent share of the market's commercial bank IPC deposits. Consummation of the proposed transaction would merely substitute a large southern Connecticut-based commercial bank for an ineffective competitor in the Hartford market and would not have any adverse effect upon the structure of commercial banking in this relevant area.

Connecticut statutes permit statewide merger and *de novo* branching activity, subject to a home office protection provision. First Bank is therefore prohibited from branching into the city of Hartford and other communities containing an existing bank's head office. Guaranty Bank and its affiliates face similar difficulty in expanding southward into areas now served by First Bank. In addition, Guaranty Bank's present weakened condition serves to prevent it and its parent from embarking upon any form of expansion into new markets at this time. The proposal would have little effect upon the potential for increased competition between the two banking organizations in the foreseeable future.

Bancorp, holding 4.4 percent of Connecticut's total commercial bank deposits, ranks as the state's eighth largest commercial banking organization. CBF, holding a 1.4 percent share of such funds, ranks as Connecticut's eleventh largest banking organization. The proposed series of transactions will result in a banking organization which will rank as Connecticut's seventh largest, holding a modest 5.8 percent share of the state's commercial bank deposits. Such a consequence is not viewed as having any significant adverse competitive impact in light of the number of substantially larger banking organizations in the state which offer intense competition.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of Guaranty Bank have been seriously weakened by serious asset problems and deposit losses in recent months. The proposed transaction is a vehicle whereby these problems may be resolved within the framework of a relatively larger, financially sound commercial banking organization. Considerations relating to the financial and managerial resources of the resultant bank have been satisfactorily resolved, and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. The availability of an additional regional banking organization in the Hartford market which can offer higher lending limits and additional banking services than presently available at offices of Guaranty Bank should accrue to the benefit of the local community. Considerations relating to the convenience and needs of the community are consistent with and add some weight in favor of approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Southeast Beach State Bank Bay County (P. O. Panama City), Florida (change title to Southeast Bank of Panama City)	21,187	2	3
to merge with			
Southeast National Bank of Panama City Panama City, Florida	12,974	1	

Summary report by Attorney General,
March 30, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
September 10, 1979

Southeast Beach State Bank, Bay County (P. O. Panama City), Florida ("Applicant"), an insured State nonmember bank with total resources of $21,187,000 and total IPC deposits of $15,772,000, 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 Southeast National Bank of Panama City, Panama City, Florida ("Other Bank"), with total resources of $12,974,000 and total IPC deposits of $9,040,000. These banks would merge under the charter of Applicant and with the title "Southeast Bank of Panama City". The one existing and one approved but unopened office of Other Bank would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Southeast Banking Corporation, Miami, Florida, a multi-bank holding company, may consolidate its operations in the Panama City area. The proponents have been commonly controlled since 1974. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the proponents' Community Reinvestment Act Statements, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
BayBank Newton-Waltham Trust Company Waltham, Massachusetts (change title to BayBank Middlesex)	524,503	31	64
to merge with **BayBank Middlesex, N. A.** Burlington, Massachusetts	482,405	33	

Summary report by Attorney General,
June 27, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
September 17, 1979

BayBank Newton-Waltham Trust Company, Waltham, Massachusetts ("Applicant"), an insured State nonmember bank with total resources of $524,503,000 and total IPC deposits of $390,871,000, 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 BayBank Middlesex, N. A., Burlington, Massachusetts, with total resources of $482,405,000 and total IPC deposits of $369,329,000. These two banks would merge under the charter of Applicant and with the title "BayBank Middlesex". The 33 offices of BayBank Middlesex, N. A. would be established as branches of the resultant bank, and the main office location would be redesignated to the present main office location of BayBank Middlesex, N. A.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which BayBanks, Inc., Boston, Massachusetts, a bank holding company, may consolidate the bulk of its operations in Middlesex County. The proponents have been commonly controlled since 1929. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal, and the future prospects of the resultant bank appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the proponents' Community Reinvestment Act Statements, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
American Pacific State Bank Los Angeles (Sun Valley), California	26,363	2	3
to acquire the assets and assume the deposit liabilities of			
Sherman Oaks Branch — Manufacturers Bank Los Angeles, California	7,134*	1	

* Total IPC deposits of office to be transferred by Manufacturers Bank. Assets not reported by office.

Summary report by Attorney General, April 20, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval September 17, 1979

American Pacific State Bank, Los Angeles, (Sun Valley), California ("American"), an insured State nonmember bank with total resources of $26,363,000 and total IPC deposits of $19,727,000, 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 the liability to pay the deposits made in the Sherman Oaks Branch of Manufacturers Bank, Los Angeles, California ("Manufacturers"). The Sherman Oaks Branch, with total IPC deposits of $7,134,000, would be operated as a branch of American.

Competition. American operates its head office in the community of Sun Valley and a branch acquired in 1978 from a San Francisco-based bank in the adjacent community of North Hollywood, both locations in the San Fernando Valley portion of the city of Los Angeles. The Sherman Oaks office to be acquired is located in the community of Sherman Oaks in the southern portion of the San Fernando Valley approximately 8 road miles southwest of American's head office and approximately 4 road miles from its North Hollywood Office.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the community of Sherman Oaks which is located approximately 15 road miles northwest of the "downtown" business district of Los Angeles. Sherman Oaks is primarily a residential community with a population estimated at 63,000. As American is not represented in this relevant market and appears to derive little of its business from the community, the proposed transaction is regarded as having no significant effect upon existing competition.

A total of 10 commercial banks operate 16 offices in the Sherman Oaks market. Included among these banks are several of California's largest commercial banks, with the three largest banks in the market aggregately controlling 67.3 percent of the market's IPC deposit base. Incident to the proposed transaction, Manufacturers, which presently holds only a modest 2.2 percent share of the market's IPC deposits, ranking it as the smallest bank represented in the market, will withdraw and be replaced by American. The proposed transaction would have no adverse effect upon the structure of commercial banking in this relevant area.

As California statutes permit statewide branching activity, either American or Manufacturers can enter the areas presently served by the other by means of *de novo* branch expansion. The management of Manufacturers, however, has indicated its intention of concentrating its energies in the wholesale banking field and is unlikely, after disposing of its retail branches in the San Fernando Valley, to expand into the retail-oriented areas now served by American in the foreseeable future. American, with its rapidly growing but limited resource based, is unlikely to expand into the heavily banked areas such as Sherman Oaks where a number of large banking organizations are firmly established. The proposed transaction would not eliminate any significant potential for competition between the proponents.

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

Financial and Managerial Resources; Future Prospects. The managerial resources of American and of the resultant bank are regarded as satisfactory. With the proposed addition to the capital structure of the resultant bank, its financial resources will be adequate to support the proposed acquisition, and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposal will not affect the number of banking offices serving the Sherman Oaks community, nor is it expected to have any material impact upon the level of commercial banking services available. American, however, is anticipated to compete more aggressively for the retail-oriented banking business in the community than has Manufacturers. Considerations of convenience and needs of the community are consistent with approval of the transaction.

A review of available information, including the Community Reinvestment Act Statements of the two respective institutions and other, relevant material, indicates no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First-Citizens Bank & Trust Company Raleigh, North Carolina	1,292,597	228	229
to merge with			
Bank of Conway Conway, North Carolina	4,451	1	

Summary report by Attorney General, March 21, 1980

We have reviewed this proposed transaction and conclude that it would not have an adverse effect upon competition.

Basis for Corporation Approval October 1, 1979

First-Citizens Bank & Trust Company, Raleigh, North Carolina ("First-Citizens"), an insured State nonmember bank with total resources of $1,292,597,000 and total IPC deposits of $1,007,708,000, 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 Bank of Conway, Conway, North Carolina ("Other Bank"), with total resources of $4,451,000 and total IPC deposits of $3,628,000. The banks would merge under the charter and title of First-Citizens and, incident to the merger, the one existing office of Other Bank would become a branch of the resultant bank, increasing the number of its offices to 229.

Competition. First-Citizens is the fifth largest bank in North Carolina. It currently operates 228 offices throughout the state. The nearest office of First-Citizens to Other Bank is located in Weldon, approximately 26 miles west of Conway, where Other Bank operates its only office. The areas served by the two banks do not overlap, and the proposed merger would not eliminate any significant existing competition between them.

The effect of this proposal would be most pronounced in the primary market area of Other Bank which extends for twelve to fifteen road miles from Conway. Conway is a rural village in Northampton County, and the market area includes a substantial part of Northampton County and western Hertford County, North Carolina, and the Boykins and Branchville communities in Southampton County, Virginia. There are six banking institutions operating eight banking offices in the relevant market area, including three offices of the second largest bank in the state. Other Bank has only 5.2 percent of the total IPC deposits in the market area, and is the smallest of the six banks. First-Citizens is not represented in the market area and, inasmuch as the proposal would merely substitute First-Citizens for Other Bank at the same site, the local market structure would not be affected.

Under North Carolina law, each bank could establish *de novo* branches in areas served by the other bank. Because of its limited resources, Other Bank is unlikely to engage in any such *de novo* branching activity. First-Citizens has the capability for *de novo* branching, but there is little incentive to enter by this route because of the number of commercial banking offices already in the market area. It therefore appears unlikely that any significant potential competition would be eliminated by the proposed merger.

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

Financial and Managerial Resources; Future Prospects. Both proponents have satisfactory financial and managerial resources, as would the resultant bank. Future prospects appear favorable.

Convenience and Needs of the Community to be Served. Consummation of this proposed merger would make available to the public a more aggressive banking organization which will provide expanded banking services to the people of Conway and its relevant market area. Considerations of convenience and needs are therefore consistent with approval of the proposed merger.

A review of available information, including the proponents' Community Reinvestment Act Statements, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Erie Savings Bank Buffalo, New York	1,898,590	15	16
to merge with **Fredonia Savings and Loan Association** Fredonia, New York	7,504	1	

Summary report by Attorney General, June 27, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval October 1, 1979

Erie Savings Bank, Buffalo, New York, an insured mutual savings bank with total resources of $1,898,590,000 and total deposits of $1,758,419,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's consent to merge, under its charter and title, with Fredonia Savings and Loan Association, Fredonia, New York ("FSL"), a Federally-insured, State-chartered savings and loan association with total resources of $7,504,000 and total deposits of $6,901,000, and to establish the sole office of FSL as a branch of Erie Savings Banks which would commence operation with a total of 16 full-service offices.

Competition. Erie Savings Bank, established in 1854, operates 15 full-service offices in three counties of western New York state. Headquartered in Buffalo, Erie Savings Bank is primarily represented in that city and surrounding areas of Erie County. Additional branches are operated at Jamestown and in the Olean area, approximately 65 and 75 miles south of Buffalo, respectively. The institution has been active in establishing EFT Units and presently operates such facilities in 10 counties, as far east as the Syracuse area. FSL, established in 1927, operates its sole office in the Village of Fredonia (1970 population 10,326) approximately 45 miles southwest of Buffalo.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the area within a 10-12 road-mile radius of Fredonia-Dunkirk containing an estimated 1970 population of 40,000. The Village of Fredonia is located in northern Chautauqua County adjacent to the city of Dunkirk (1970 population 16,855) which is a major center for manufacturing and industrial activity. Southern portions of Chautauqua County are more agriculturally oriented. Stainless steel products and processed foods provide the chief nonagricultural employment alternatives, with the State Univeristy College at Fredonia providing employment for approximately 1,100.

The proponents' closest offices are located approximately 32 road miles apart and serve separate, distinct markets. FSL operates in a small localized area in which only three thrift institution offices are located, of which FSL is by far the smallest in share of total thrift deposits held. Consummation of the proposed transaction would merely substitute Erie Savings Bank for a relatively small, local savings and loan association and would have no significant effect on existing competition or any adverse impact upon the structure of thrift institution banking in this relevant market.

The possibility that any significant level of competition may develop between the proponents through *de novo* branching appears remote. Erie Savings Bank, governed by a state statute which limits such *de novo* expansion to a single office each year, is viewed as an unlikely potential entrant into the Fredonia market in the foreseeable future. The modest size and limited resources of FSL, which has operated from a single office since inception, would seem to preclude any meaningful *de novo* expansion effort on its part into areas now served by Erie Savings Bank.

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

Financial and Managerial Resources; Future Prospects. The financial resources of both proponents are adequate for purposes of this transaction. A potential management succession problem at FSL would be resolved by Erie Savings Bank's satisfactory management administering the affairs of the resultant institution whose future prospects appear favorable.

Convenience and Needs of the Community to be Served. Erie Savings Bank's entry into the Fredonia-Dunkirk market would make available a second source of certain thrift institution services not now offered by FSL. Considerations relating to convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of both proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with its safe and sound operation.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Bank of Chincoteague, Inc. Chincoteague, Virginia (change title to Farmers & Merchants Bank — Eastern Shore)	7,832	1	4
to merge with			
Farmers & Merchants National Bank in Onley Onley, Virginia	38,987	3	

Summary report by Attorney General,
August 13, 1979

We have reviewed this proposed transaction and conclude that it would not have a significantly adverse effect upon competition.

Basis for Corporation Approval
October 1, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, an application has been filed on behalf of Bank of Chincoteague, Inc., Chincoteague, Virginia ("BOC"), an insured State nonmember bank with total resources of $7,832,000 and total IPC deposits of $6,444,000, for the Corporation's consent to merge, under its charter, with Farmers & Merchants National Bank in Onley, Onley, Virginia ("Farmers Bank"), with total resources of $38,987,000 and total IPC deposits of $34,267,000, and to establish the three offices of Farmers Bank as branches of the resultant bank which would bear the title "Farmers & Merchants Bank — Eastern Shore". Incident to the transaction, the main office location of the resultant bank would be redesignated to the site of the current main office of Farmers Bank.

Competition. BOC operates its sole office in the town of Chincoteague (1970 population 1,852) on Chincoteague Island in northern Accomack County on Virginia's eastern shore. Farmers Bank operates its head office at Onley in central Accomack County and two branches, one in the extreme southern portion of the county at Belle Haven and one at Oak Hall, serving the northern portion of the county.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the northern portion of Accomack County within which BOC competes. Accomack County (1970 population 29,004) is primarily agriculturally oriented with poultry production and processing, vegetables, lumber, tourism, and seafood processing contributing to the local economic base. The population is relatively stable with only a small decline in evidence between 1960 and 1970. The county's 1978 median household buying level is significantly below the comparable state figure. In the northern portion of the county, the Wallops Island Flight Center of the National Aeronautics and Space Administration ("NASA") separates Chincoteague Island from the bulk of Accomack County. Transportation through Virginia's eastern shore region and Accomack County is primarily in a north-south direction along the U. S. Route 13 corridor. The town of Chincoteague is located approximately 9 miles east of this highway artery, accessible only by a single road and causeway passing through the NASA center.

The closest office of Farmers Bank to BOC is located at Oak Hall in northern Accomack County approximately 10 road miles west of Chincoteague. This office's location near the junction of U. S. Route 13 and the direct east-west road leading to Chincoteague indicate that there is some existing competition between the two banks. The amount of actual direct competition appears limited, however, with only a modest number of deposit and loan customers at the Oak Hall office being drawn from the Chincoteague area. BOC primarily serves the island and town of Chincoteague, a relatively isolated area, while the Oak Hall office of Farmers Bank, which is of relatively modest size (total deposits $5,913,000), serves the northern portion of the county along the U. S. Route 13 corridor. The relevant market is dominated by the presence of a Bank of Virginia office, holding 59.4 percent of the market's IPC deposits, a market share more than double that which would be held by the resultant bank, subsequent to the instant merger proposal.

Virginia statutes permit *de novo* branch expansion by either of the proponents throughout Accomack County. Farmers Bank would be unlikely, however, to expand *de novo* into the Chincoteague area of Accomack County now served by BOC and another independent commercial bank, due to the relatively low population density. BOC, with its limited resource base, is unlikely to expand *de novo* into more distant areas now served by Farmers Bank, having operated as a unit bank since 1940 when BOC closed its only branch, located north of Oak Hall. The loss of some potential for increased future competition between the two banks is not regarded as having a significant competitive impact.

Financial and Managerial Resources; Future Prospects. Financial resources of both proponents and of the resultant bank are regarded as satisfactory. Consummation of the proposed transaction will resolve a management succession problem at BOC. The resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The resultant bank will offer a broader range of commercial banking services than presently available at the office of BOC. Deposit and loan rates will be restructured to reflect current market conditions. Considerations relating to convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of both proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Surety National Bank Los Angeles (P. O. Encino), California (change title to California Overseas Bank) (convert to State charter)	47,973	4	7
to merge with			
California Overseas Capital Co., Inc. (in organization) Los Angeles, California	—	—	
and			
California Overseas Bank Los Angeles, California	81,813	3	

Summary report by Attorney General, September 19, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval October 5, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, an application has been filed on behalf of Surety National Bank, Los Angeles (P.O. Encino), California ("Surety Bank") with total resources of $47,973,000 and total IPC deposits of $29,633,000, for the Corporation's prior consent to merge, upon Surety Bank's conversion to a State charter, with California Overseas Capital Co., Inc., a noninsured California Corporation in organization, and to subsequently merge under the new state charter with California Overseas Bank, Los Angeles, California ("COB"), with total resources of $81,813,000 and total IPC deposits of $52,143,000. Incident to the proposed transaction, the three offices of COB would be established as branches of the resultant bank which would bear the title "California Overseas Bank", and the main office location of the resultant bank would be redesignated to the present main office site of COB.

Competition. Surety Bank, headquartered in the community of Encino in the San Fernando Valley portion of the city of Los Angeles, operates branches in the community of Reseda and in the Civic Center District of the city of Los Angeles, and a branch at Marina del Rey in southwestern Los Angeles County. COB, headquartered in the city of Los Angeles, approximately 4 miles west of the "downtown" portion of the city, operates its three offices in the Wilshire Boulevard corridor with branches in the community of Westwood and in the city of Beverly Hills. A representative office is also operated in Manila, Philippines. California Overseas Capital Co., Inc., is a noninsured corporation in organization, which will be utilized as a vehicle to effect a corporate reorganization, within the framework of the proposed transaction, and which would have no effect on competition in any relevant area.

Each of the proponents' offices serve localized markets in the highly developed urban portions of Los Angeles County. The proposed union of the two institutions would have its most direct and immediate competitive impact on those communities now served by Surety Bank, the smaller of the two banks involved. COB is not represented in any of these markets with no overlap of service areas in evidence. The proponents' closest offices are located approximately 4 miles apart in a highly congested urban area containing numerous commercial banking alternatives. COB's offices serve separate, distinct markets from those served by Surety Bank's offices and the two banks are not regarded as being in direct competition to any significant degree.

In each of the four relevant banking markets served by Surety Bank, the institution ranks as a relatively ineffective competitor with declining market shares. Surety Bank holds market shares between 0.1 percent and 6.6 percent of of the IPC deposits in these four markets which, in each case, is a market share significantly smaller than that held by the substantially larger banks represented in these markets. Three of the four Surety Bank offices have suffered deposit outflows in the two year period June, 1977 to June, 1979. The bank's three branches, all of which were established more than ten years ago, have failed to develop a significant market penetration and deposit growth in their respective markets, in spite of the generally favorable economic and growth prospects prevalent in these areas.

COB and Surety Bank rank as the 30th and 43rd largest commercial banks, respectively, in share of deposits held in Los Angeles County, aggregately holding less than 0.3 percent of the County's IPC commercial bank deposits. In the State of California, the two banks are among the State's smallest aggregately holding only a nominal volume of California's commerical bank deposits. Consummation of the proposed transaction would have little impact on the level of concentration of banking resources or on the structure of commercial banking in any relevant area.

California statutes permit statewide *de novo* branching and merger activity, therefore, each proponent has the potential to expand into the markets now served by the other. Commercial banking in the Los Angeles County area is dominated by offices of most of the state's largest commercial banks. Over 1,200 banking offices have been established in the county, with the state's five largest commercial banks operating more than 800 of these offices.

In such a banking environment, the loss of some potential for increased levels of competition to develop between the proponents, given their modest relative size and level of resources, is regarded as having little competitive impact.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of COB are regarded as satisfactory for purposes of this transaction. Surety Bank has experienced earnings problems which would be resolved by union with COB. The resultant bank, with the proposed additions to it capital structure, is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Surety Bank has ceased to function as an effective competitor in the markets it presently serves. Consummation of the proposed transaction, while having little impact upon the types and pricing of commercial banking services offered in these communities, will provide an additional full-service banking alternative at Surety Bank's office locations. Considerations relating to convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the proponents, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Central Bank Oakland, California	642,732	47	58
to merge with			
First National Bank of Fresno Fresno, California	48,439	5	
and			
Tahoe National Bank South Lake Tahoe, California	18,657	3	
and			
Valley Bank, National Association Livermore, California	28,645	3	

Summary report by Attorney General, February 9, 1979

The merging banks are all wholly-owned subsidiaries of the same bank holding company. As such, the proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval October 15, 1979

Central Bank, Oakland, California ("Applicant"), an insured State nonmember bank with total resources of $642,732,000 and total IPC deposits of $511,062,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to merge, under its charter and title, with: First National Bank of Fresno, Fresno, California ("FNB"), with total resources of $48,439,000 and total IPC deposits of $36,718,000; Tahoe National Bank, South Lake Tahoe, California ("TNB"), with total resources of $18,657,000 and total IPC deposits of $14,817,000; and, Valley Bank, National Association, Livermore, California ("Valley Bank"), with total resources of $28,645,000 and total IPC deposits of $25,305,000. Incident to the transaction, the five offices of FNB, the three offices of TNB, and the three offices of Valley Bank would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Central Banking System, Inc., Oakland, California, a multi-bank holding company, may consolidate these four banking subsidiaries into a single nonmember bank. At least 90 percent common control of these four banks has existed for some years, and their proposed merger would not affect the structure of commercial banking or the concentration of banking resources in any relevant area.

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

Financial and Managerial Resources; Future Prospects. The proponents' managerial resources are considered adequate for the purposes of this proposal. Financial resources of the resultant bank, with the contemplated increase in the capitalization of Applicant would be acceptable, and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Services to be offered by the resultant bank would not differ materially from those presently offered by each of the proponents.

A review of available information, including the Community Reinvestment Act Statements of proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Southeast First Bank of Jacksonville Jacksonville, Florida (change title to Southeast Bank of Jacksonville)	46,961	2	4
to merge with			
Southeast Bank of Edgewood Jacksonville, Florida	13,308	1	
and			
Southeast First National Beach Bank Jacksonville Beach, Florida	46,201	1	

Summary report by Attorney General,
May 11, 1979

The merging banks are all wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
October 15, 1979

Southeast First Bank of Jacksonville, Jacksonville, Florida ("Applicant"), an insured State nonmember bank (total resources $46,961,000; total IPC deposits $29,472,000), 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 Southeast Bank of Edgewood, Jacksonville, Florida, a State member bank (total resources $13,308,000; total IPC deposits $10,627,000), and Southeast First National Beach Bank, Jacksonville Beach, Florida (total resources $46,201,000; total IPC deposits $36,494,000). These banks would merge under the charter of Applicant and with the title "Southeast Bank of Jacksonville". The sole office of each of the two banks being acquired would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Southeast Banking Corporation, Miami, Florida, a bank holding company, may consolidate its operations in Duval County. The proponents have been under common control since 1976. The proposed merger would not affect the structure of commercial banking or the concentration of commercial banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory, and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the proponents' Community Reinvestment Act Statements, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
American Beach Boulevard Bank Jacksonville, Florida (change title to American Bank)	19,994	3	5
to merge with **American Arlington Bank** Jacksonville, Florida	16,184	1	
and **American Mandarin Bank** Jacksonville, Florida	14,040	1	

Summary report by Attorney General,
June 27, 1979

The merging banks are all wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
October 22, 1979

American Beach Boulevard Bank, Jacksonville, Florida ("Applicant"), an insured State nonmember bank with total resources of $19,994,000 and total IPC deposits of $17,512,000, 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 Arlington Bank, Jacksonville, Florida, an insured State nonmember bank with total resources of $16,184,000 and total IPC deposits of $14,308,000, and American Mandarin Bank, Jacksonville, Florida, an insured State nonmember bank with total resources of $14,040,000 and total IPC deposits of $12,453,000. These banks would merge under the charter of Applicant and with the title "American Bank". The sole office of each of the two banks being acquired would be established as branches of the resultant bank. The main office location will be redesignated to the present site of American Mandarin Bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which American Banks of Florida, Inc., Jacksonville, Florida, a bank holding company, may consolidate three of its banking subsidiaries in the city of Jacksonville. The proponents have been commonly controlled since 1974. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal, and the future prospects of the resultant bank appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the proponents' Community Reinvestment Act Statements, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Peoples Bank of Hancock Hancock, Maryland	11,726	1	2
to merge with **Antietam Bank Company** Hagerstown, Maryland	6,405	1	

Summary report by Attorney General, December 7, 1979

We have reviewed this proposed transaction and conclude that it would not have any significant effect upon competition.

Basis for Corporation Approval October 29, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, an application has been filed on behalf of the Peoples Bank of Hancock, Hancock, Maryland ("Peoples Bank"), an insured State nonmember bank with total resources of $11,726,000 and total IPC deposits of $10,462,000, for the Corporation's prior consent to merge with Antietam Bank Company, Hagerstown, Maryland ("Antietam Bank"), an insured State nonmember bank with total resources of $6,405,000 and total IPC deposits of $4,313,000. Incident to the proposed transaction, the sole office of Antietam Bank would be established as a branch of the resultant bank.

Competition. Peoples Bank operates its sole office in the city of Hancock (1970 population 1,832) located in the narrow panhandle of western Washington County, Maryland, near the Pennsylvania and West Virginia State borders. Peoples Bank is affiliated with Suburban Bancorporation, Hyattsville, Maryland, a multi-bank holding company controlling three commercial banks in Maryland with aggregate deposits in excess of $1 billion. Antietam Bank operates its sole office in the city of Hagerstown (1970 population 26,543) in eastern Washington County.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as an area within approximately 10 road miles of the city of Hagerstown in eastern Washington County. Washington County (1970 population 103,289, an increase of 13.8 percent from 1960) is primarily agriculturally oriented with manufacturing activity centered in the vicinity of Hagerstown. The county's 1978 median household buying level of $13,282 is 19 percent below the comparable state figure.

The proponents' offices are located more than 25 road miles apart with no overlap of service areas in evidence and with numerous commercial banking alternatives located in the intervening area. Peoples Bank is located in the more mountainous portion of western Washington County and while some residents of the Hancock area commute to the Hagerstown area for employment, such interaction between the two communities is limited and of little competitive significance to the proposed transaction. As neither Peoples Bank nor any affiliate of Suburban Bancorporation is represented in the Hagerstown market, consummation of the proposed transaction would have no significant effect on existing competition.

In the relevant market, 8 commercial banks operate 34 offices. Antietam Bank has failed to establish a significant market penetration and holds less than $4 million in IPC deposits representing only a 1.4 percent share of the market's total IPC deposit base. The market's three largest banks, measured by share of deposits held, aggregately control more than 75 percent of the market's IPC deposits. Represented in this market are several of the state's largest banking organizations, providing intense competition. In such a competitive banking environment, the acquisition of Antietam Bank by an affiliate of Suburban Bancorporation would have no adverse effect on the level of deposit concentration or on the structure of commercial banking in the relevant market.

Suburban Bancorporation is the fourth largest banking organization in Maryland, holding 9.5 percent of the state's total commercial bank deposits. Acquisition of Antietam Bank, which holds less than 0.1 percent of such funds, would have no material impact upon the level of concentration of commercial banking resources in the state.

Maryland state statutes permit statewide merger and *de novo* branching activity, subject to certain minimum capitalization requirements, and therefore, each proponent has the potential to expand into areas now served by the other. Antietam Bank lacks the resources and experience to mount a major expansion effort, in the foreseeable future, into distant areas presently served by Suburban Bancorporation affiliates. Suburban Bancorporation, while possessing the necessary resources and experience to branch *de novo* into the Hagerstown market, would find such entry on a *de novo* basis difficult in light of the number of relatively large banking organizations already well established in that market. The loss of some limited potential for future competition to develop between the proponents is regarded as having little competitive impact.

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

Financial and Managerial Resources; Future Prospects. Considerations relating to financial and managerial resources have been satisfactorily resolved and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The resultant bank would be able to offer a broader range of commercial banking services than presently available at Antietam Bank. While such commercial banking functions are available in the Hagerstown community at offices of other major regional and statewide banking organizations represented there, consummation of the proposed transaction will bring an additional alternate source of such services to the community. Considerations relating to the convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the proponents, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First State Bank of Oregon Milwaukie, Oregon	371,679	29	31
to merge with **The Community Bank** Lake Oswego, Oregon	20,838	2	
and **First State Interim Bank of Oregon** (In organization) Milwaukie, Oregon	—	—	

Summary report by Attorney General,
June 27, 1979

The proposed mergers are part of a plan through which Hood River County Bank and First State Bank of Oregon would become subsidiaries of Pacwest Bancorp, a bank holding company. The instant mergers, however, would merely combine existing banks with non-operating institutions; as such, and without regard to the acquisition of the surviving banks by Pacwest Bancorp, they would have no effect on competition.

Basis for Corporation Approval
October 29, 1979

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, an application has been filed on behalf of First State Bank of Oregon, Milwaukie, Oregon ("First Bank"), an insured State nonmember bank with total resources of $371,679,000 and total IPC deposits of $279,102,000, for the Corporation's consent to merge, under its charter and title, with The Community Bank, Lake Oswego, Oregon ("Community Bank"), with total resources of $20,838,000 and total IPC deposits of $17,162,000, and with First State Interim Bank of Oregon, Milwaukie, Oregon ("First Interim Bank"), a proposed new bank in organization, and for consent to establish the two offices of Community Bank as branches of the resultant bank. The proposal is part of a series of transactions whereby a multibank holding company, Pacwest Bancorp, Milwaukie, Oregon, will be formed to acquire all of the outstanding shares of stock of the resultant bank in this proposal plus two other commerical banks located in Hood River and McMinnville, Oregon.

Competition. First Bank, headquartered in the city of Milwaukie in suburban Portland, operates 28 offices in the three counties of the Portland (Oregon) metropolitan area (1970 population 880,675) and a single *de novo* branch in Salem, approximately 45 miles south of Portland. Community Bank is headquartered in the Clackamas County portion of the city of Lake Oswego and operates a *de novo* branch (established in January, 1976) at the Portland State University campus in the city of Portland, approximately 6 miles north of its head office. Community Bank's only other *de novo* branch, in Oregon City, approximately 5 miles southeast of Lake Oswego and 6 miles south of Milwaukie, was discontinued during 1976. First State Interim Bank of Oregon, Milwaukie, Oregon, is a nonoperating bank in organization which will be utilized as a vehicle to effect a corporate reorganization, within the framework of the proposal, and which would have no effect on competition in any relevant area.

The city of Portland (1970 population 382,619) is the chief industrial, commercial and financial center for much of the state and the Columbia River Valley. The city, while located principally in Multnomah County, has grown to encompass portions of adjoining Clackamas and Wahington Counties. The city of Milwaukie (1970 population 16,379) adjoins Portland on the south and straddles the Clackamas-Multnomah County line. The city of Lake Oswego (1970 population 14,573) adjoins both Milwaukie and Portland and is actually located in all three counties. Both Milwaukie and Lake Oswego are economically homogeneous with Portland and its environs and have shared in the rapid growth and development prevalent throughout most of the metropolitan area. The relevant market in which to asses the competitive impact of the proposed transaction is, therefore, regarded as the contiguous counties of Clackamas, Multnomah and Washington, being generally coterminous with the Portland metropolitan area in northwestern Oregon.

Community Bank's Viking Office at the Portland State University campus is located approximately ½ mile from the closest office of First Bank and within 1 mile of three of First Bank's offices serving the"downtown" business section of Portland. As Community Bank's Viking Office (total IPC deposits $2,411,000) caters principally to a cliental evolving from or associated with the university, there appears to be little actual direct competition with the offices of First Bank serving the commercial and financial core of Portland. Community Bank's head office serving Lake Oswego is not directly accessible from offices of First Bank in the adjoining city of Milwaukie due to the natural barrier formed by the Willamette River, and serves a limited area in which First Bank is not directly represented. The elimination of some existing competition between First Bank and Community Bank, upon consummation of the proposed transaction, would have no significant competitive impact.

Oregon statutes permit statewide *de novo* branching, however, a home office protection provision prohibits such expansion into communities of less than 50,000 population containing a bank's head office. First Bank is, therefore, precluded from *de nove* entry into the city of Lake Oswego which is now served by Community Bank. Community Bank, with its relatively modest resource base, has little potential to expand into other portions of the Portland metropolitan area now served by First Bank, to any meaningful degree, in light of the intense competitive environment throughout the area. Community Bank's attempts at *de novo* branch expansion have met with only limited success as evidenced by the discontinuance of one office and the failure of the Viking Office to establish a significant market penetration in its 3½ years of operation. Consummation of the proposed transaction would eliminate little material potential for increased competition between the proponents in the foreseeable future.

A total of 18 insured commercial banks operate 213 offices in the relevant market. First Bank, with an 8.6 percent share of the market's insured commercial bank IPC deposits, ranks as the third largest bank, a ranking that would remain unchanged upon the acquisition of Community Bank's nominal 0.47 percent market share. The market is regarded as highly concentrated with the state's two largest commercial banks, in an undisputed dominant position, aggregately controlling over 75 percent of the market's IPC deposit base. In light of the concentrated nature of the existing banking environment, the proposed transaction would have no adverse effect upon the level of concentration of banking resources or upon the structure of commercial banking in this market.

Pacwest Bancorp, upon formation as proposed, would become the state's fourth largest banking organization, holding approximately 4.35 percent of the insured commercial bank deposits in Oregon, an increase of only 0.6 percent from the share now held by First Bank. Community Bank's contribution to this increase represents only a 0.2 percent share of the state's total deposits. As in the Portland market, the state's two largest banking organizations dominate the commercial banking industry, by a wide margin, aggregately holding almost 70 percent of Oregon's insured commercial bank deposits. Neither the proposed merger of First Bank and Community Bank nor the related transaction by Pacwest Bancorp to acquire unit banks in Hood River and McMinnville would have any significant adverse impact upon the structure of commercial banking or the level of concentration of banking resources in Oregon.

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

Financial and Managerial Resources; Future Prospects. The financial and managerial resources of the proponents are regarded as satisfactory and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to Be Served. The resultant bank will offer a broader range of commercial banking services than presently available at offices of Community Bank. Considerations relating to the convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the (operating) proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
First-Citizens Bank and Trust Company of South Carolina Columbia, South Carolina	286,812	49	50
to merge with			
The Bank of Trenton Trenton, South Carolina	4,995	1	

Summary report by Attorney General, November 17, 1978

We have reviewed this proposed transaction and conclude that it would not have a substantial competitve impact.

Basis for Corporation Approval October 29, 1979

First-Citizens Bank and Trust Company of South Carolina, Columbia, South Carolina ("First-Citizens"), an insured State nonmember bank with total resources of $286,812,000 and total IPC deposits of $234,298,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's consent to merge, under its charter and title, with The Bank of Trenton, Trenton, South Carolina ("Other Bank"), with total resources of $4,995,000, and total IPC deposits of $3,488,000. Incident to the proposed transaction the sole office of Other Bank would be established as a branch of First-Citizens.

Competition. First-Citizens, based in Columbia, operates 49 commercial banking offices in 15 counties of South Carolina, Since 1968, the bank has been involved in eleven merger-type transactions, acquiring commercial banks in a number of locations in the state. Other Bank operates its sole office in the town of Trenton (estimated population of less than 400) located in southern Edgefield County, approximately 60 miles southwest of Columbia and 23 road miles north of Augusta, Georgia.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the area within an approximate 15 road-mile radius of Trenton which includes most of Edgefield County and adjoining portions of Aiken and Saluda Counties in the southwestern part of the state. This area is relatively rural, with livestock, crops and lumber-related activites the predominant economic pursuits. The textile and apparel industry has historically provided a nonagricultural employment alternative. The city of Aiken (1970 population 13,436), located approximately 14 road miles southeast of Trenton, serves as a focal point for commercial, retail and manufacturing activity.

The proponents are not engaged in any material volume of direct competition as the nearest office of First-Citizens to Trenton is located at Belvedere in southwestern Aiken County, a distance of approximately 18 miles from Other Bank. This Belvedere Office and two other branches of First-Citizens in Aiken County serve a separate market which parallels the Savannah River (South Carolina — Georgia border) between the Augusta (Georgia) area and the Savannah River Plant, a major U. S. Government installation. There is no overlap in service areas, and the proposed transaction would have no significant effect on existing competition between the two banks.

In the relevant market five commercial banks operate 16 offices. Other Bank, holding less than $4 million in IPC deposits, is the market's smallest commercial bank. Each of the other four banks represented in this market rank among the state's ten largest commercial banking organizations. The market's two largest banks, measured in shares of deposits held, aggregately control more than 73 percent of the market's IPC deposit base, while Other Bank holds only a modest 4.2 percent share. Consummation of the proposed transaction would substitute First-Citizens for Other Bank and would have no adverse impact on the structure of commercial banking in the relevant market.

First-Citizens ranks as South Carolina's sixth largest commercial bank, holding 4.8 percent of the state's commercial bank deposits. The acquisition of Other Bank, one of the state's smallest commercial banks, with less than a 0.1 percent share of the state's commercial bank deposits, would have no effect on First-Citizens' ranking in the state. This modest increase is not regarded as having any material impact upon the level of concentration of banking resources or upon the structure of commercial banking in South Carolina.

South Carolina statutes permit statewide merger and *de novo* branching activity, subject to certain minimum capitalization requirements, and each proponent, therefore, has the potential to expand into the area now served by the other. Other Bank, which has operated as a unit bank since its establishment in 1905, lacks the necessary level of resources to mount any meaningful expansion effort into areas now served by First-Citizens in the foreseeable future. While First-Citizens' expansion into the Trenton market would be permitted by state statute, the acquisition of Other Bank, with its modest volume of deposits and market penetration after almost 75 years of operation, is regarded as having little competitive impact.

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

Financial and Managerial Resources; Future Prospects. Considerations relating to financial and managerial resources have been satisfactorily resolved. The reslutant bank, with the proposed addition to its capital structure, is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. First-Citizens will offer a greater range of commercial banking services than presently available at Other Bank. Considerations relating to convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the two proponents, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Barnett Bank of Delray Beach Delray Beach, Florida (change title to Barnett Bank of Palm Beach County)	97,040	4	9
to merge with **Barnett Bank of Palm Beach County** West Palm Beach, Florida	85,396	5	

Summary of report by Attorney General, July 19, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval November 13, 1979

Barnett Bank of Delray Beach, Delray Beach, Florida ("Applicant"), an insured State nonmember bank with total resources of $97,040,000 and total IPC deposits of

$82,662,000, 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 Barnett Bank of Palm Beach County, West Palm Beach, Florida ("Other Bank"), an insured State nonmember bank with total resources of $85,396,000 and total IPC deposits of $66,778,000. These banks would merge under the charter of Applicant and with the title of Other Bank. The five offices of Other Bank would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Barnett Banks of Florida, Inc., Jacksonville, Florida, a multi-bank holding company, may consolidate its operations in Palm Beach County, Florida. The proponents have been under common control since 1973. The proposed merger would not affect the structure of commercial banking or the concentration of banking resources within the relevant market.

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

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory, and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the Community Reinvestment Act Statements of the proponents, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Firestone Bank Akron, Ohio	378,301	16	18
to merge with **The Firestone Bank of Wadsworth** Wadsworth, Ohio	11,391	2	

Summary report by Attorney General, September 19, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval November 13, 1979

The Firestone Bank, Akron, Ohio ("Applicant"), an insured State nonmember bank with total resources of $378,301,000 and total IPC deposits of $280,778,000, 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 Firestone Bank of Wadsworth, Wadsworth, Ohio ("Other Bank"), an insured State nonmember bank with total resources of $11,391,000 and total IPC deposits of $7,968,000. These banks would merge under the charter and with the title of Applicant. The two offices of Other Bank would be established as branches of the resultant bank.

Competition. Essentially a corporate reorganization, the proposal would provide a means by which Firestone Bancorp., Inc., Akron, Ohio, a bank holding company controlling these two banks only, may consolidate its operations. The proponents have been under common control since 1973. The proposed merger would not in any section of the country, substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade.

Financial and Managerial Resources; Future Prospects. Proponents' financial and managerial resources are considered adequate for the purposes of this proposal. Financial and managerial resources of the resultant bank would be satisfactory, and its future prospects appear favorable.

Convenience and Needs of the Community to be Served. Services to be offered in the relevant market by the resultant bank would not differ materially from those presently offered by each proponent.

A review of available information, including the Community Reinvestment Act Statements of the proponents, discloses no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Heritage Bank Anaheim, California	74,617	2	5
to merge with			
Irvine National Bank Irvine, California	28,421	3	

Summary report by Attorney General, December 7, 1979

We have reviewed this proposed transaction and conclude that it would not have an adverse effect upon competition.

Basis for Corporation Approval November 26, 1979

Heritage Bank, Anaheim, California, an insured State nonmember bank with total resources of $74,617,000 and total IPC deposits of $65,217,000, has applied pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's consent to merge, under its charter and title, with Irvine National Bank, Irvine, California ("INB") with total resources of $28,421,000 and total IPC deposits of $22,753,000. Incident to the proposed transaction the three offices of INB would be established as branches of the resident bank.

Competition. Heritage Bank, established in August, 1975, is headquartered in the city of Anaheim in the northwestern portion of Orange County, California approximately 25 road miles southeast of the central business district of the city of Los Angeles. The bank established a branch in April, 1978 in the eastern portion of the city of Santa Ana, approximately 10 road miles southeast of Anaheim, and has received regulatory approval to establish a *de novo* branch office in the city of Costa Mesa approximately 19 road miles south of Anaheim. INB, established in August , 1973, is headquarted in the rapidly developing community of Irvine at a site near the Orange County Airport in Coastal Orange County. A branch in the newly developed Woodbridge section of Irvine was established in November, 1978 approximately 5 road miles east of the main office and a branch was opened in September, 1979 at Newport Beach approximately 6 road miles southwest of the main office.[1]

The relevant market in which to assess the competitive impact of the proposed transaction is the area in which INB presently competes which includes the community of Irvine and the surrounding cities of Santa Ana, Costa Mesa and Newport Beach, plus the coastal communities of the Balboa and Corona del Mar. This market, containing a 1970 population of approximately 300,000, is experiencing rapid development with a significant expansion in population as well as commercial and industrial activity. The Orange County Airport, located near the center of the relevant market, is reported to be among the nation's busiest, as measured by total aircraft traffic, and serves as a focal point for new development. The market's residential base is composed of relatively affluent professionals with median household buying levels estimated to be significantly higher than in neighboring areas.

The proponents' closest offices are located approximately 8 road miles apart and Heritage Bank's approved, but unopened office to be located in Costa Mesa will be within 5 miles of two of INB's offices. This proximity of offices would indicate that the two banks are in direct competition in the relevant market, and this existing competition would be eliminated by consummation of the proposed transaction. Similarly, as California statutes permit statewide merger and *de novo* branching activity, the proposal would preclude the potential for increased levels of competition to develop between them in this market and would foreclose the potential for future competition which could result from an

[1] Principals of Heritage Bank acquired effective stock control of INB in July 1979, and the two banks have been operated under common management since that time. Factors relating to this acquisition have been subject to evaluation by the Office of the Comptroller of the Currency pursuant to The Change in Bank Control Act of 1978 (12 U.S.C. 1817(j). The Bank Merger Act (12 U.S.C. 1828(c)), pursuant to which the instant application has been filed, specifically requires the consideration of statutory factors enumerated therein, therefore, the Board of Directors has disregarded this fact of common control in its analysis of the competitive impact of the proposed merger transaction.

expansion by either proponent into other geographic areas. This market, however, is already highly developed and urbanized, containing numerous offices of large statewide banking organizations. Offices of several of California's largest commercial banks are located in close proximity to the site of each of the proponents' offices. In this light, the loss of some existing and potential competition between the two banks, as a consequence of the proposal, is regarded as having little competitive impact.

In the relevant market a total of 33 insured commercial banks operate 114 banking offices. INB, holding 1.0 percent of the market's IPC deposits, ranks as its 18th largest commercial bank while Heritage Bank, with a nominal 0.5 percent share of such funds, ranks as the 25th largest bank in the market. A total of ten independent banks, including INB, have been chartered in the relevant market since 1970. INB, however, has failed to achieve the deposit growth enjoyed by most of the banks in this market and experienced a substantial decline in market share held in the period June, 1978 to June, 1979. Commercial banking in the relevant market is dominated by the presence of most of California's largest commercial banking organizations with the state's five largest banks, as measured by total deposits held, ranking as the five largest banks in the relevant market, aggregately holding over 60 percent of the market's IPC deposits. In such a competitive environment, the proposal is regarded as having no significant effect on the level of concentration of banking resources or upon the structure of commercial banking in any relevant area.

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

Financial and Managerial Resources; Future Prospects. Considerations relating to the financial and managerial resources of Heritage Bank and INB have been satisfactorily resolved and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed transaction is not expected to have any significant impact upon the level and pricing of commercial banking services in the community served by either proponent as an extensive array of such services is available at offices of relatively large statewide banking organizations which are heavily represented in these areas. The resultant bank is, however, expected to compete more aggressively than INB has in recent periods, providing the customers of the local community with an effective additional source of such commercial banking services. Considerations relating to the convenience and needs of the community to be served are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of the two banks, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
American Bank of Hollywood Hollywood, Florida	21,567	1	2
to purchase the assets and assume the deposit liabilities of			
Pembroke Park Branch — American Bank of Hallandale Pembroke Park (P. O. Hallandale), Florida	10,000*	1	

* Total deposits of office to be transferred by American Bank of Hallandale. Assets not reported by office.

Summary report by Attorney General, May 22, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval November 26, 1979

American Bank of Hollywood, Hollywood, Florida ("Hollywood Bank"), an insured State nonmember bank with total resources of $21,567,000 and total IPC deposits of $19,128,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior consent to purchase certain assets of and assume the liability to pay certain deposits made in the Pembroke Park office of American Bank of Hallandale, Pembroke Park (P.O. Hallandale), Florida ("Hallandale Bank"). The total deposits to be assumed aggregate approximately $10,000,000. A like amount of assets would also be acquired, including the Pembroke Park office which would be established as a branch of Hollywood Bank, increasing to two the number of banking offices operated.

Hallandale Bank, with total resources of $18,190,000 and total IPC deposits of $15,517,000, was established in 1974 as an affiliate of Hollywood Bank (due to common ownership and interlocking directors). In addition to its main office, it also operates a branch in Cooper City and one in Plantation, Florida. In a separate application filed in conjunction with this application, Hallandale Bank requested, and received, permission to redesignate its main office (Pembroke Park office) as a branch and redesignate its Cooper City office as its main office.

Competition. All four banking offices of the proponents are located in Broward County, Florida. Within this county there are currently 129 offices of 57 commercial banks. Hollywood Bank is ranked as the twenty-sixth largest in terms of commercial bank IPC deposits, controlling 0.7 percent of such deposits. Hallandale Bank is ranked as twenty-ninth largest with only 0.5 percent of such deposits. In view of the common ownership that has existed since the formation of Hallandale Bank, as well as the nominal market shares held by the two institutions, this transaction is seen to have no material effect on existing competition in this area or on the structure of commercial banking.

As part of the agreement between the proponents, some of the common owners of the two banks would be divided and the majority stockholders would be split into two groups, each controlling one of the banks. This should enhance the prospects for increased future competition to develop between the proponents.

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

Financial and Managerial Resources; Future Prospects. With the contemplated addition to its capital structure, the financial and managerial resources of Hollywood Bank appear sufficient to support the acquisition of this branch, and the resultant bank is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. Both banks involved in this transaction have been operated as affiliates with the same board of directors and president. Over the years they have developed basically the same policies, rates and services. The addition of new capital in both institutions will provide them with a larger lending limit, and considerations of convenience and needs of the community appear to be consistent with approval of this application.

A review of available information, including the Community Reinvestment Act Statements of both proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Republic Bank Gardena, California	67,763	1	3
to merge with **California Pacific Bank** Fullerton, California	16,113	2	

Summary report by Attorney General, October 26, 1979

We have reviewed this proposed transaction and conclude that it would not have an adverse effect upon competition.

Basis for Corporation Approval
November 30, 1979

Republic Bank, Gardena, California, an insured State nonmember bank with total resources of $67,763,000 and total IPC deposits of $56,461,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's consent to merge, under its charter and title, with California Pacific Bank, Fullerton, California ("CPB"), with total resources of $16,113,000 and total IPC deposits of $11,725,000. Incident to the proposed transaction, the two offices of CPB would be established as branches of the resultant bank.

Competition. Republic Bank, established in 1974, operates its sole office in the city of Gardena (1970 population 41,021) in southern Los angeles County approximately 12 road miles south of the central business district of the city of Los Angeles. Republic Bank has been granted approval to establish a *de novo* branch office southwest of Gardena in the city of Torrance. CPB, established in 1971, operates its head office in the western portion of the city of Fullerton and a branch located approximately 3 miles east near the city's central business district. The city of Fullerton (1970 population 85,826; estimated 1978 population in excess of 100,000) is located in northwestern Orange County approximately 25 road miles southeast of the city of Los Angeles.

The relevant market in which to assess the competitive impact of the proposed transaction is regarded as the trade area of CPB, approximated by the contiguous cities of Fullerton, Anaheim, Brea, Buena Park, La Habre and Placentia in the northwestern portion of Orange County. The market, containing a 1970 population of approximately 400,000, is a relatively affluent, highly-developed urbanized area. It has experienced dynamic growth during the last two decades, with moderate growth projected for the next decade. Formerly agriculturally oriented, the area is now primarily residential with a number of large industrial employers located in Fullerton. There is also evidence of commutation outside of relevant market for employment alternatives.

The proponents' closest offices are situated approximately 20 road miles apart with no evidence of overlap in the service areas, indicating that the proposal would have no significant effect on existing competition between the two banks. California statutes permit statewide merger and *de novo* branching activity and thus, there does exist some potential for competition to develop between them at some future time. The loss of this potential, however, is not regarded as having any material adverse competitive impact in light of the highly-developed urbanized nature of the proponents' respective trade areas and of the intervening area between them, as well as the presence of numerous offices of the state's largest banks.

In the relevant market a total of 23 insured commercial banks operate 84 banking offices. CPB, holding only a 0.9 percent share of the market's IPC deposits, ranks as one of its smallest banks. CPB has failed to achieve the deposit growth enjoyed by many of the other banks in this market during the 1970's and experienced a loss in market share held in the period from June, 1978 to June, 1979. The market is dominated by offices of most of the state's largest banking organizations, with two of California's three largest banks aggregately holding 46.8 percent of the relevant market's IPC deposit base. In such a competitive environment, the proposal is regarded as having no significant effect on the level of concentration of banking resources or upon the structure of commercial banking.

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

Financial and Managerial Resources; Future Prospects. CPB has had a history of poor earnings and is presently regarded as undercapitalized. The bank has undergone several changes in senior management in recent years and has been unable to establish itself as an effective competitor in its market. Republic Bank has a history of satisfactory operation with relatively healthy earnings and timely capital augmentation. The proposed transaction would provide a means of resolving the problems facing CPB, within the framework of a larger well-established bank. The resultant bank would possess a satisfactory level of financial and managerial resources to overcome these difficulties and would appear to have favorable future prospects.

Convenience and Needs of the Community to be Served. The proposed transaction would have little material impact upon the level and pricing of commercial banking services in the community served by CPB, as an extensive array of such services is readily available at offices of relatively large statewide banking organizations which are heavily represented in this area. The resultant bank is, however, anticipated to compete more aggressively than CPB has been capable of in recent periods, providing customers in the local community with an additional effective alternate source of such commercial banking services. Considerations relating to the convenience and needs of the community to be served are consistent with approval of the application.

A review of the available information, including the Community Reinvestment Act Statements of the proponents, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Morris County Savings Bank Morristown, New Jersey	687,793	12	13
to purchase the assets and assume the deposit liabilities of			
Bernards State Bank Bernardsville, New Jersey	12,563	1	

Summary report by Attorney General, November 30, 1979

We have reviewed this proposed transaction and conclude that it would not have a substantial competitive impact.

Basis for Corporation Approval November 30, 1979

The Morris County Savings Bank, Morristown, New Jersey ("Applicant"), an insured mutual savings bank with total resources of $687,793,000 and total deposits of $642,568,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's consent to purchase the assets of and assume the liability to pay deposits made in Bernards State Bank, Bernardsville, New Jersey ("State Bank"), an insured State nonmember bank with total resources of $12,563,000 and total IPC deposits of $9,959,000, and to establish the sole office of Bernards State Bank as a branch.

Competition. Applicant, headquartered in the town of Morristown (1970 population 17,662), operates ten offices in Morris County in northern New Jersey and one office each in adjoining Sussex and Warren Counties. State Bank, established in 1975, operates its sole office in the borough of Bernardsville (1970 population 6,652) in northern Somerset County approximately 8 road miles southwest of Morristown.

The competitive impact of the proposed transaction would be most direct and immediate in the area within an approximate 10 road-mile radius of Bernardsville which includes the northern portion of Somerset County and the adjacent southern portion of Morris County. This area, containing an estimated 1970 population in excess of 100,000, is rapidly developing and presently undergoing a change from a rural to a more suburban nature. The 1978 median household buying levels for Morris and Somerset Counties are significantly higher than the comparable state figure of $20,037.

In the relevant area a total of ten commercial banks operate 31 offices. State Bank ranks as the 7th largest commercial bank in the market holding a modest 3.0 percent share of the market's IPC deposit base. Commercial banking in this market is dominated by the presence of affiliates of several of the state's largest commercial banking organizations, with the market's two largest banks, which are affiliated with such organizations, aggregately controlling over 55 percent of the market's commercial bank IPC deposits. In such a competitive environment, the proposed acquisition of State Bank is regarded as having little impact upon the structure of commercial banking.

Applicant operates its head office and four branch offices in relatively close proximity to Bernardsville with Applicant's Mendham Office (total deposits $66,199,000) located less than 5 road miles from State Bank. Applicant and State Bank, by virtue of their respective charters and Corporate powers, serve different segments of the banking public although, to some extent, they offer similar services.[1] State Bank, however, holds only 0.8 percent of the IPC time and savings deposits held by offices of commercial banks and thrift institutions in the market. The limited volume of existing competition between the proponents, and the potential for increased competition to develop, however, does not rise to a level of competitive significance that its elimination would substantially lessen competition.

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

Financial and Managerial Resources; Future Prospects. State Bank, established in 1975, experienced initial start-up difficulties and has failed to establish itself as an effective competitive force in the market. Applicant, with a history of satisfactory operation,

[1] *United States* v. *Phillipsburg National Bank and Trust Company,* 399 U.S. 350 at 359-60 (1970).

possesses the necessary financial and managerial resources to successfully address such problems within the framework of a financially sound thrift institution. The resultant institution is anticipated to have favorable future prospects.

Convenience and Needs of the Community to be Served. As a direct consequence of this proposal, one commercial banking office would be eliminated and replaced by an office of a relatively large mutual savings bank. While Applicant would be able to provide most of the present customers of State Bank with equal or comparable services, some businessmen and merchants would find it necessary to seek an alternate commercial banking source. In light of the numerous offices of both small independent commercial banks and of affiliates of relatively large statewide commercial banking organizations available in the market, this consequence, affecting only a small segement of the local banking public, is regarded as having only a modest impact. Considerations relating to the convenience and needs of the community to be served, on balance, are consistent with approval of the application.

A review of available information, including the Community Reinvestment Act Statements of both proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with its safe and sound operation.

Based on the foregoing information, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
International Central Bank Newport Beach, California	1,000	1	1
to merge with **International Trust Corporation** Newport Beach, California	436	—	

Summary report by Attorney General, September 19, 1979

The merging banks are both wholly-owned subsidiaries of the same bank holding company. As such, their proposed merger is essentially a corporate reorganization and would have no effect on competition.

Basis for Corporation Approval
December 17, 1979

International Central Bank ("ICB"), Newport Beach, California, an insured State nonmember bank with total assets of $1,000,000, 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 International Trust Corporation ("ITC"), Newport Beach, California, a noninsured financial corporation with total assets of $436,195, under the charter and title of ICB. Application has also been made for the resultant bank to exercise trust powers.

Both entities are wholly-owned subsidiaries of CPI Group, Inc., Newport Beach, California, a subsidiary of Automatic Data Processing. CPI Group, Inc. is an independent administrator of individual and partnership "Keogh" retirement plans, and administers many small to medium corporate plans, as well as individual retirement plans.

The proposed transaction, essentially an internal reorganization, would merely consolidate the affiliated entities and facilitate their internal accounting, and as such would have no effect on existing or potential competition in any relevant area. All factors required to be considered pertinent to each application have been favorably resolved.

On the basis of the foregoing information, the Board of Directors has concluded that approval of the applications is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Society Bank Columbus, Ohio	65,051	10	13
to purchase the assets and assume the deposit liabilities of **The American Bank of Central Ohio** Harrisburg, Ohio	18,088	3	
EMERGENCY			

Summary report by Attorney General, no report received.

Basis for Corporation Approval
December 20, 1979

Society Bank, Columbus, Ohio, an insured State nonmember bank with total resources of $65,051,000 and total IPC deposits of $49,290,000, has applied, pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act, for the Corporation's prior written consent to purchase certain assets of and assume the liability to pay deposits made in The American Bank of Central Ohio, Harrisburg, Ohio ("American Bank"), an insured State nonmember bank with total resources or $18,088,000 and total IPC deposits of $16,409,000. The three offices of American Bank will be established as branches of Society Bank.

The Superintendent of Banks for the State of Ohio has advised the Corporation of the existence of an emergency and requested expeditious action pursuant to paragraph 6 of Section 18(c) of the Federal Deposit Insurance Act. The publication required by the Bank Merger Act has been completed.

Competition. Society Bank operates 10 offices in Franklin County, which is located in central Ohio. Society Bank is affiliated with Society Corporation, Cleveland, Ohio, the state's fourth largest banking organization. It controls 13 banks whose total commercial bank deposits at June 30, 1978 aggregated $1,809,511,000 — 4.9 percent of the State's total deposits. American Bank operates three offices in Franklin County, its main office in Harrisburg, one branch in Grove City, and one branch in the western portion of the city of Columbus.

The area most relevant to consideration of a competitive analysis in this case is considered to be Franklin County and the adjoining portions of Madison and Pickaway Counties that are within approximately ten road miles of Harrisburg. This relevant market, mainly an urbanized area containing the city of Columbus (1970 population 539,677), has an estimated 1970 population of 843,828. The market is served by 13 banks operating 161 offices, and six of the state's ten largest banking organizations are represented there. Of the IPC deposits aggregating $3,007,482,000 held by area offices of such banks at June 30, 1979, Society Bank held 1.6 percent, the fifth largest share; American Bank held 0.5 percent, the ninth largest share.

Following consummation of the proposal, Society Bank's share would increase only to 2.1 percent and would remain as the fifth largest bank in the market. Any competition between Society Bank and American Bank appears to be minimal in view of the size of the other competitors in the market and the precarious financial condition of American Bank.

Under these circumstances, the Board of Directors has concluded that the proposed transaction would not, in any section of the country, substantially lessen competition, tend to create a monopoly or in any other manner be in restraint of trade.

Financial and Managerial Resources; Future Prospects. Financial resources of American Bank are inadequate and its future viability is in grave doubt. Society Bank has a sound asset structure and satisfactory management. With the contemplated addition to its capital accounts, prospects of the resultant bank are considered favorable.

Convenience and Needs of the Community to be Served. Consummation of the proposal would preclude any interruption of banking services for the clientele of American Bank. These individuals should also benefit from the resulting larger, sound institution.

A review of available information, including the Community Reinvestment Act Statements of the proponents and other relevant material, disclosed no inconsistencies with the purposes of the Act. The resultant bank is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the bank.

Based on the foregoing, the Board of Directors has concluded that approval of the application is warranted.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
American Banking Company Moultrie, Georgia	17,990	1	2
to purchase the assets and assume the deposit liabilities of			
Toney Brothers Bank Doerun, Georgia	6,780	1	

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

Basis for Corporation Approval
January 6, 1979

American Banking Company, Moultrie, Georgia, an insured State nonmember bank with total resources of $17,990,000, has applied pursuant to Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's consent to purchase the assets of and assume the liability to pay deposits made in Toney Brothers Bank, Doerun, Georgia, an insured State nonmember bank with total resources of $6,780,000. Incident to the transaction, the sole office of Toney Brothers Bank would become a branch of American Banking Company.

As of January 5, 1979, Toney Brothers Bank had deposits of approximately $5,800,000 and operated one office. On January 5, 1979, the Federal Deposit Insurance Corporation was appointed as Receiver of Toney Brothers Bank.

The Board of Directors finds that the failure of Toney Brothers Bank requires it to act immediately and thus waives publication of notice, dispenses with the solicitation of competitive reports from other agencies, and authorizes the transaction to be consummated immediately.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
Independence Bank of Chicago Chicago, Illinois	73,253	2	4
to purchase the assets and assume the deposit liabilities of			
Guaranty Bank & Trust Company Chicago, Illinois	8,610	1	
and			
Gateway National Bank of Chicago Chicago, Illinois	23,110	1	

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

Basis for Corporation Approval
July 14, 1979

Independence Bank of Chicago, Chicago, Illinois, an insured State nonmember bank with total resources of $73,253,000, has applied pursuant to Section 18(c) of the Federal Deposit Insurance Act, for the Corporation's consent to purchase the assets of and assume the liability to pay deposits made in Guaranty Bank & Trust Company, Chicago, Illinois, an insured State nonmember bank with total resources of $8,610,000, and Gateway National Bank of Chicago, Chicago, Illinois, with total resources of $23,110,000. Incident to the transaction, the sole office of Guaranty Bank & Trust Company and the sole office of Gateway National Bank of Chicago would become facilities of Independence Bank of Chicago. Application is also made for Independence Bank of Chicago to exercise trust powers.

On July 14, 1979, the Federal Deposit Insurance Corporation was appointed as Receiver of Guaranty Bank & Trust Company (whose deposits were estimated at approximately $7,400,000 and operated one office) and Gateway National Bank of Chicago (whose deposits were estimated at approximately $9,100,000 and operated one office).

The Board of Directors finds that the failure of Guaranty Bank & Trust Company and Gateway National Bank of Chicago requires it to act immediately and thus waives publication of notice, dispenses with the solicitation of competitive reports from other agencies, and authorizes the transactions to be consummated immediately.

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
American Bank Houston, Texas (in organization)	—	0	1
to purchase the assets and assume the deposit liabilities of			
American National Bank Houston, Texas	11,695	1	

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

Dasis for Corporation Approval
July 12, 1979

American Bank, Houston, Texas, a newly chartered State nonmember bank, has applied pursuant to Sections 5 and 18(c) of the Federal Deposit nsurance Act, for Federal deposit insurance and for the Corporation's consent to purchase the assets of and assume the liability to pay deposits made in American National Bank, Houston, Texas (total resources of $11,695,000).

On October 12, 1979, the Federal Deposit Insurance Corporation was appointed as Receiver of American National Bank (whose deposits were approximately $9,690,000 and operated one office).

The Board of Directors finds that the failure of American National Bank requires it to act immediately and thus waives publication of notice, dispenses with the solicitation of competitive reports from other agencies, and authorizes the transaction to be consummated immediately.

Merger transactions were involved in the acquisitions of banks by holding companies in the following approvals in 1979. In each instance, the Attorney General's report stated that the proposed transaction would have no effect on competition. The Corporation's basis for approval in each case stated that the proposed transaction would not, per se, change the competitive structure of banking, nor affect the banking services that the (operating) bank has provided in the past, and that all other factors required to be considered pertinent to the application were favorably resolved.

Lee County Bank, Opelika, Alabama, in organization; offices: 0; resources: 100 ($000); to purchase the assets and assume the deposit liabilities of and change title to The Bank of East Alabama, Opelika, Alabama; offices: 3; resources: 39,442 ($000). Approved: January 25.

The F. B. G. Bank of Marion, Marion, Ohio, in organization; offices: 0; resources: 0 ($000); to merge with and change title to The Marion County Bank, Marion, Ohio; offices 4; resources: 56,636 ($000). Approved: February 2.

Georgia Bank and Trust Company, Macon, Georgia; offices: 6; resources: 102,762 ($000); to merge with Georgia Interim Company, Macon, Georgia, in organization; offices: 0; resources: 0 ($000). Approved: February 23.

New Riverside Bank, Fort Worth, Texas, in organization; offices: 0; resources: 200 ($000); to merge with and change title to Riverside State Bank, Forth Worth, Texas; offices: 1; resources: 84,032 ($000). Approved: March 29.

Collegiate State Bank of Fort Worth, Forth Worth, Texas, in organization; offices: 0; resources: 200 ($000); to merge with and change title to University Bank, Forth Worth, Texas; offices: 1; resources: 89,214 ($000). Approved: April 12.

Trust Company of Gwinnett County, Lawrenceville, Georgia, in organization; offices: 0; resources: 700 ($000); to merge with and change title to Gwinnett Commercial Bank, Lawrenceville, Georgia; offices: 2 resources: 22,396 ($000). Approved: April 23.

Security Bank and Trust Company, Albany, Georgia; offices: 2; resources: 31,160 ($000); to merge with CB&T, Inc., Columbus, Georgia, in organization; offices: 0; resources: 1 ($000). Approved: April 24.

Alaska Pacific Bank, Anchorage, Alaska; offices: 2; resources: 70,248 ($000); to merge with Alaska Interim Bank, Anchorage, Alaska, in organization; offices; 0; resources: 30 ($000). Approved: May 1.

First Alabama Bank of Conecuh County, Evergreen, Alabama, in organization; offices: 0; resources; 50 ($000); to merge with The Conecuh County Bank, Evergreen, Alabama; offices: 1; resources: 17,928 ($000). Approved: May 15.

Central Michigan Bank and Trust, Big Rapids, Michigan; offices: 9, resources: 57,227 ($000); to consolidate with CMB Bank, Big Rapids, Michigan, in organization; offices: 0; resources: 120 ($000). Approved: May 18.

CS Bank, Gallipolis, Ohio, in organization; offices: 0; resources: 312 ($000); to purchase the assets and assume the deposit liabilities of and change title to The Commercial and Savings Bank, Gallipolis, Ohio; offices: 3; resources; 35,562 ($000). Approved: May 25.

Gold Country Bank, Grass Valley, California; offices: 5; resources 22,147 ($000); to merge with IBC Investment Corporation, San Rafael, California, in organization; offices: 0; resources: 10 ($000). Approved: June 29.

Peoples Bank of South Jersey, Clayton, New Jersey, in organization; offices: 0; resources: 860 ($000); to purchase the assets and assume the deposit liabilities of Peoples Bank of South Jersey, Clayton, New Jersey; offices: 7; resources: 31,654 ($000). Approved: July 20.

South Street State Bank, Pasadena, Texas, in organization; offices: O; resources: 200 ($000); to merge with and change title to San Jacinto State Bank, Pasadena, Texas; offices: 1; resources: 81,567 ($000). Approved: August 13.

Texas A & M Bank, College Station, Texas, in organization; offices: 0; resources: 200 ($000); to merge with and change title to Bank of A & M, College Station, Texas; offices: 1; resources: 52,410 ($000). Approved: August 24.

H. S. Bank, Schaumburg, Illinois, in organization; offices: 0; resources: 0 ($000); to merge with and change title to Suburban Bank of Hoffman-Schaumburg, Schaumburg, Illinois; offices: 2; resources: 19,106 ($000). Approved: September 10.

The Olivet State Bank, Olivet, Michigan; offices: 1; resources: 7,033 ($000); to merge with New State Bank of Olivet, Olivet, Michigan, in organization; offices: 0; resources: 120 ($000). Approved: September 13.

Summit Bank and Trust Company of Fort Wayne, Fort Wayne, Indiana, in organization; offices: 0; resources: 0 ($000); to merge with and change title to Indiana Bank and Trust Company of Fort Wayne, Fort Wayne, Indiana; offices: 12; resources: 276,044 ($000). Approved: September 28.

New Addision State Bank, Addision, Texas, in organization; offices: 0; resources: 50 ($000); to merge with and change title to Addison State Bank, Addison, Texas; offices: 1; resources: 26,929 ($000). Approved: October 23.

New South Central Bank, Hutchins, Texas, in organization; offices: 0; resources: 50 ($000); to merge with and change title to South Central Bank, Hutchins, Texas; offices: 1; resources: 9,781 ($000). Approved: October 23.

Hood River County Bank, Hood River, Oregon; offices: 1; resources: 6,501 ($000); to merge with Hood River County Interim Bank, Hood River, Oregon, in organization; offices: 0; resources: 10 ($000). Approved: October 29.

New First State Bank of Taft, Taft, Texas, in organization; offices: 0; resources: 50 ($000); to merge with and change title to The First State Bank of Taft, Taft, Texas; offices: 1; resources: 10,286 ($000). Approved: October 31.

Citizens Bank and Trust Company, Clare, Michigan; offices: 7; resources: 72,738 ($000); to merge with CBC Bank, Clare, Michigan, in organization; offices: 0; resources: 120 ($000). Approved; November 16.

Commercial State Bank, Houston, Texas; offices: 1; resources: 40,803 ($000); to merge with New Commercial State Bank, Houston, Texas, in organization; offices: 0; resources: 200 ($000). Approved: November 16.

The Bank of Hampton, Hampton, Georgia; offices: 1; resources: 7,281 ($000); to merge with Interim-Hampton, Inc., Hampton, Georgia, in organization; offices: 0; resources: 1 ($000). Approved: November 20.

Valley Central Bank, Richfield, Utah; offices: 1, resources: 15,697 ($000); to merge with VC Bank Corporation, Richfield, Utah, in organization; offices: 0; resources: 0 ($000). Approved: November 21.

First Railroad Bank of Dalton, Dalton, Georgia, in organization; offices: 0; resources: 500 ($000); to merge with and change title to The Bank of Dalton, Dalton, Georgia; offices: 3; resources: 29,099 ($000). Approved: November 21.

First Railroad Bank of Cobb County, Marietta, Georgia, in organization; offices: 0; resources: 500 ($000); to merge with and change title to The Commercial Bank of Cobb County, Marietta, Georgia; offices: 7; resources: 48,636 ($000). Approved: November 21.

The Bank of Duluth, Duluth, Georgia; offices: 1; resources: 26,727 ($000); to merge with DuCorp, Inc., Atlanta, Georgia, in organization; offices: 0; resources: 1 ($000). Approved: November 29.

Mercantile Bank of Houston, Houston, Texas; offices: 1; resources: 90,060 ($000); to merge with and change title to Allied Mercantile Bank, Houston, Texas, in organization; offices: 0; resources: 200 ($000). Approved: November 30.

Allied Cypress Bank, Houston, Texas, in organization; offices: 0; resources: 100 ($000); to merge with Cypress Bank, Houston, Texas; offices: 1; resources: 36,140 ($000). Approved: December 7.

Texas Bank and Trust Company, Jacksonville, Texas; offices: 1; resources: 50,979 ($000); to merge with and change title to Allied Texas Bank, Jacksonville, Texas, in organization; offices: 0; resources: 75 ($000). Approved: December 14.

Port City State Bank, Houston, Texas; offices: 1; resources: 54,448 ($000); to merge with New Port City Bank, Houston, Texas, in organization; offices: 0; resources: 200 ($000). Approved: December 21.

BANK ABSORPTION DENIED BY THE CORPORATION

	Resources (in thousands of dollars)	Banking Offices in Operation	
		Before	After
The Pennsylvania Bank and Trust Company Warren, Pennsylvania	470,252	24	25
to merge with			
The Farmers National Bank of Conneautville Conneautville, Pennsylvania	7,962	1	

Summary report by Attorney General, May 1, 1979

Overall, in our view, the proposed transaction would not have a significantly adverse competitive effect.

Basis for Corporation Denial July 30, 1979

The Pennsylvania Bank and Trust Company, Warren, Pennsylvania ("Penn Bank"), an insured State nonmember bank with total resources of $470,252,000 and total IPC deposits of $394,384,000, 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 Farmers National Bank of Conneautville, Conneautville, Pennsylvania ("Farmers"), with total resources of $7,962,000 and total IPC deposits of $6,971,000. The banks would merge under the charter and title of Penn Bank and, incident to the merger, the sole office of Farmers would become a branch of the resulting bank, increasing the number of its offices to 25.

Penn Bank is the 24th largest commercial bank in Pennsylvania. Its main office is located in Warren County and its legal branching area consists of Warren County and the six contiguous counties. Its 24 offices are located in Erie (2), Crawford (6), Venango (4), Elk (4), McKean (3), and Warren (5) Counties with Forest being the only county in Penn Bank's legal branching area in which it is not currently represented. Penn Bank has the largest share of commercial bank deposits (20.5 percent) in the seven-county area. Farmers operates its sole office in the northwestern section of Crawford County. It is the smallest bank in the county and one of the smallest banks in the state.

Competition. Penn Bank operates in several markets spread throughout its legal branching area, providing conveniently available banking services to a majority of the residents of the area. In the Crawford County area Penn Bank has six offices, and three are located within 15 road miles of Farmers. In addition to these three offices, Penn Bank has two branches in Meadville which is approximately 16 road miles from Farmers. Its closest office to Farmers is the Linesville Branch, approximately 8 road miles southwest. This is also the closest commercial banking office to Farmers.

The effects of the proposed merger would be most immediate and direct within the primary trade area of Farmers, which consists of that area within approximately 15 road miles of Conneautville and extended in the southeast to include the city of Meadville. The area is largely agricultural with industrial activities concentrated in Meadville and its immediate surrounding area. Meadville is the county seat and serves as the primary economic center for the area. It is easily accessible by two major state highways and Interstate Route 79, a major north-south highway. The 1970 population of the area was 47,949, with Meadville and the surrounding townships accounting for over 50 percent of the population.

The area is served by 15 offices of six commercial banks, including five office of Penn Bank. Farmers is the smallest bank in the area, with 3.2 percent of commercial bank IPC deposits, but Penn Bank is the dominant bank with 41.4 percent of the area's commercial bank IPC deposits. There are no intervening offices of other commercial banks between Farmers and some of the branches of Penn Bank, including the Linesville office (8 miles) and the Saegertown office (12 miles).

Therefore, the proposed transaction would not only eliminate existing competition, but it would serve to further concentrate banking resources in the dominant bank in the area, and it would eliminate a convenient banking alternative for many of the area residents.

There appears to be no significant potential for competition to increase between the proponents through future *de novo* branching. Farmers does not appear to have the financial or managerial resources to facilitate such expansion, and the sparse population of the area immediately surrounding Farmers does not make it a very attractive location for *de novo* branching. Increased competition between the two banks could occur, however, if Farmers were to be acquired by a bank other than Penn Bank. Such an acquisition could result in the eventual lessening of Penn Bank's market domination. Under Pennsylvania banking laws, there are 17 commercial banks that could merge with Farmers. They range in deposit size from $6,900,000 to $421,869,000 (Penn Bank). Only five of these banks are currently in direct competition with Farmers. Of the banks not in direct competition, there are five banks with deposits in excess of $150,000,000. Therefore, there appears to be a sufficient number of potential merger partners for Farmers, any one of which would have a less anticompetitive effect than a merger with Penn Bank.

In view of the above, it appears to the Corporation that the proposed merger would (i) eliminate significant existing competition, (ii) increase the dominant bank's share of the market from 41.4 percent to 44.6 percent, (iii) reduce the number of banking alternatives in the relevant area from six to five, and (iv) foreclose the possibility that significant new competition could arise by eliminating a merger partner for a bank not represented in the market.

Financial and Managerial Resources; Future Prospects. Both banks have satisfactory financial and managerial resources, and both have satisfactory prospects for the future. The same would be true of the resulting bank if the merger were approved. The banking factors, accordingly, are considered to weigh neither in favor of nor against the merger proposal.

Convenience and Needs of the Community to be Served. Since Penn Bank is already represented in the market, there would be no change in services offered for the market as a whole. Considerations of convenience and needs of the community are neutral and weigh neither in favor of nor against the proposed merger.

A review of available information, including the Community Reinvestment Act Statements of the proponents and other relevant material, disclosed no inconsistencies with the purposes of the act.

Since the anticompetitive effects of the proposed merger are not, in the opinion of the Board of Directors, clearly outweighed by other factors, the Corporation has concluded that the proposed merger of Penn Bank and Farmers should be denied.

REGULATIONS AND LEGISLATION
PART FOUR

LEGISLATION—1979

Financial Privacy Notification Repeal. Public Law 96-3, approved March 7, 1979, repealed the notice requirement contained under section 1104(d) of the Right to Financial Privacy Act which would have become effective on March 10, 1979, and would have required all creditor and financial institutions to notify their customers of the rights under this Act.

Insurance of Foreign Bank Branches. Public Law 96-64, approved September 14, 1979, amended the International Banking Act of 1978 (Public Law 95-369) to permit existing branches of foreign banks which have applied for Federal deposit insurance by September 17, 1979, and have not had their application denied, to continue deposit retail operations until January 31, 1980.

Automatic Transfer Accounts-State Usury Laws. Public Law 96-161, approved December 28, 1979, extended for 90 days (until March 31, 1980) the authority for banks to offer automatic transfers from savings to checking accounts, for savings and loan associations to operate remote service units, and for credit unions to offer share draft accounts. This legislation also exempted agricultural and business loans of $25,000 or more from State usury limitations. This exemption expires on March 31, 1980 for those States that have statutory usury provisions and on July 1, 1981 for those States having constitutional usury restrictions. Any State could reinstate its own usury ceilings by taking affirmative action to that effect. Finally, Public Law 96-161 authorized interest-bearing negotiable order of withdrawal (NOW) accounts for the State of New Jersey.

RULES AND REGULATIONS-1979

Change in Bank Control (Part 303) On January 24, 1979, the FDIC adopted revisions to sections 303.11 and 303.15 of its regulations to implement the Change in Bank Control Act of 1978. The Act requires any person seeking to acquire control of an insured bank to file 60 days' advance notice with the appropriate Federal banking agency. In addition, the Act describes the factors that the FDIC and other Federal banking agencies are to consider in determining whether a transaction covered by the Act should be disapproved.

Disclosure of Trust Department Asset Reports (Part 309). On October 22, 1979, the FDIC approved an amendment to Part 309 of its regulations to permit routine public disclosure on a request basis of Trust Department Annual Reports currently filed with the FDIC by insured State nonmember banks.

Interest Rate Regulations (Part 329). Effective March 15, 1979, the FDIC amended Part 329 of its regulations to prohibit the compounding of interest by insured State nonmember banks on money market certificates of $10,000 or more. The ban applies to certificates with maturities of 26 weeks that have their interest rate ceiling keyed to the average auction discount rate on the most recently issued 6-month United-States Treasury bills. The amended Part 329 also requires that advertisements by insured nonmember banks offering such certificates contain a statement that Federal regulations prohibit compounding of interest during the term of deposit.

In addition, the amendment reduced the interest rate differential normally available to mutual savings banks on these instruments. This reduction applies when the average auction discount rate is greater than 8-¾ percent and the differential is eliminated when the average auction rate is 9 percent or greater.

Part 329 was further amended on July 1, 1979, in response to the problem of the relatively low return small savers were receiving under the existing interest rate structure. The maximum rate of interest on passbook savings accounts was increased 1/4 of one percent for both commercial banks (to 5¼ percent) and thrift institutions (to 5½ percent). A new deposit category was established for time deposits with maturities of 4 years or more. The rate ceiling on these deposits was based on the yield for 4-year government securities as determined each month by the Treasury Department. Also, institutions were authorized to set their own minimums for consumer-type time deposits, except for the $10,000 minimum required for money market certificates. And finally, early withdrawal penalties in all deposit categories were established for new certificates issued or renewed after July 1.

In conjunction with the above changes, the FDIC issued a statement of policy clarifying the authority of banks to accept deposits that have been pooled by depositors to reach a minimum denomination requirement, but prohibiting institutions from soliciting, advertising or promoting pooled deposits in any way.

Part 329 also was amended to provide for the waiver of penalties for early withdrawal of a time deposit in the event a depositor dies or is declared mentally incompetent. In addition, the new withdrawal penalties which became effective on July 1 were extended to all time deposits, irrespective of date. The ceiling rate of interest payable on time deposits with maturities of between 30 and 89 days was increased from 5 percent to 5¼ percent, making it equal to the rate available on passbook savings accounts. Also, repurchase agreements (RPs) of less than $100,000 with maturities of 90 days or more were made subject to interest rate ceilings. To prevent undue hardship, a 3-year phaseout period was provided. During this period, banks are permitted to continue issuing such RPs without regard to interest rate ceilings so long as the total amount outstanding does not exceed the amount outstanding on August 1, 1979. This amendment took effect on July 30, 1979.

Effective January 1, 1980, the FDIC amended its regulations pertaining to time deposits. Pursuant to these revisions the existing 4-year floating-rate time deposit was replaced by a new floating-rate certificate with a maturity of 2½ years and a rate tied to the yield on Treasury securities maturing in 2½ years. For thrift institutions, the ceiling rate is 50 basis points below the 2½ year Treasury rate while for banks the ceiling rate is 75 basis points below the Treasury rate. There are no minimum deposit requirements and compounding of interest is permitted.

Another change increased by 1/4 of a percentage point the ceiling on deposits maturing in 90 days to 1 year. The final amendment authorized banks to pay the same rate as thrifts when IRA/Keogh and governmental unit funds are deposited in the new 2½ year or more certificates. Banks also may pay the same rate as thrifts on IRA/Keogh and governmental unit deposits of $10,000 or more placed in 26-week money market certificates regardless of the level of the Treasury bill rate.

Recordkeeping and Confirmation Requirements for Securities Transactions (Part 344). The FDIC adopted, effective January 1, 1980, new rules establishing uniform standards for bank recordkeeping, confirmation, and other procedures in making securities transactions for trust departments and other bank customers. This action was taken after a study by the Securities and Exchange Commission on bank securities activities and responds to certain recommendations in the SEC report. The final rules were adopted following consideration of comments received on proposals published in January 1978 and revised proposals published in November. The final rules were substantially unchanged from the November proposals.

International Banking Act of 1978 (Part 346). On June 28, 1979, the FDIC issued final regulations implementing section 6 of the International Banking Act of 1978. These regulations provide for Federal deposit insurance coverage of United States branches of foreign banks and, in some cases, require insurance. Section 6 also amends the Federal Deposit Insurance Act to establish special requirements for branches that are insured by the FDIC.

Foreign Activities of Insured State Nonmember Banks (Part 347) Effective May 30, 1979, the FDIC adopted new regulations implementing the foreign banking requirements in FIRIRCA. Under the new regulations, any insured State nonmember bank must obtain the consent of the FDIC before establishing its first branch in a foreign country or before acquiring any ownership interest in a foreign bank or other foreign financial entity. The bank must provide 30 days' notice to the FDIC concerning its intent to relocate an existing foreign branch or to increase the number of foreign branches in a country where it has an authorized foreign branch.

The FDIC also must be notified when a foreign branch is closed. In addition, the regulations require banks to maintain a system of records, controls, and reports on their foreign activities.

Management Official Interlocks (Part 348). The Depository Institution Management Interlocks Act was enacted as Title II of FIRIRCA. The general purpose of the Interlocks Act and this Part is to foster competition among depository institutions.

To this end, a management official of a depository institution (bank, savings and loan association, mutual savings bank or credit union) or depository holding company is generally prohibited from also serving as a management official of another depository institution or depository holding company if the two organizations: (1) are not affiliated and (2) are very large or are located in the same local area. The regulations provide for specific exemptions from the above prohibitions, but prior FDIC approval is required.

Correspondent Accounts and Disclosure of Material Facts (Part 349 and 304). On March 10, 1979, Title VIII (Correspondent Accounts) and Title IX (Disclosure of Material Facts) of FIRIRCA became effective.

Title IX contains provisions that specify what information must be reported by insured banks to the Federal banking agencies regarding loans by the bank to its own executive officers and principal shareholders (but not directors) under Title I of FIRIRCA. Title I and Federal Reserve Board Regulation O, which implements it, are applicable to insured State nonmember banks in the same manner and to the same extent as if they were State member banks. Under Title IX, insured State nonmember banks will report to the FDIC. The FDIC has promulgated section 304.4 of Part 304 to implement the reporting requirements of Title IX.

Title VIII, in part, prohibits preferential loans to executive officers and principal shareholders of a bank from its correspondent banks, and requires such persons to report to their bank's board of directors on their indebtedness (and indebtedness of their related interests) to the bank's correspondent banks. The FDIC has promulgated Part 349 to implement the reporting requirements (not the prohibitions) of Title VIII. Both sections 304.4 and Part 349 took effect on December 31, 1979.

The FDIC, in conjunction with the

Board of Governors of the Federal Reserve System and the Comptroller of the Currency, has developed two forms for use by executive officers, principal shareholders and banks in complying with the reporting requirements of Titles VIII and IX of FIRIRCA.

Form FFIEC 004 (Report on Indebtedness of Executive Officers and Principal Shareholders and Their Related Interests to Correspondent Banks) is a recommended form for use by executive officers and principal shareholders to report to the board of directors of their bank on their indebtedness (and that of their related interests) to correspondent banks, as required by Title VIII and Part 349 of FDIC's regulations. FFIEC 004 (or a similar form) is to be submitted by executive officers and principal shareholders to their banks by January 31, of each year.

Each executive officer and principal shareholder (reporting persons) filing FFIEC 004 must indicate on the form the name of the reporting person, the name of the bank to which the report is submitted, and the name and address of the correspondent bank to which the person or related interest is indebted.

Form FFIEC 003 (Report on Ownership of the Reporting Bank and on Indebtedness of its Executive Officers and Principal Shareholders to the Reporting Bank and to its Correspondent Banks) is the form required by Title IX and section 304.4 of Part 304 of the FDIC's regulations for use by insured State nonmember banks in reporting to FDIC on the aggregate direct indebtedness of executive officers, principal shareholders and their related interests to the bank under Title I of FIRIRCA, as required by Title IX. FFIEC 003 also is used by the banks to report to FDIC on the aggregate indebtedness of these persons and their related interests to correspondent banks as reported under Title VIII. A consolidated form has been adopted so that a bank need file only one form with FDIC in order to comply with the reporting requirements of both Titles VIII and IX. The law requires that this information be made publicly available by the banks and by the FDIC.

Limits on Loans to Executive Officers, Directors and Principal Shareholders (Regulation O). Section 22(h), relating to limits on loans to executive officers, directors, and principal shareholders of member banks, was added to the Federal Reserve Act by FIRIRCA, which further provides that the provisions of section 22(h) are applicable to nonmember insured banks as well as to State member banks.

Section 22(h) limits loans to executive officers, principal shareholders and their related interests to 10 percent of the bank's capital and unimpaired surplus and prohibits the payment of an overdraft of an executive officer or director. It also requires that every extension of credit by a bank to any of its executive officers, directors, or principal shareholders and their related interests be made on "substantially the same terms" as "comparable transactions with other persons." In addition, a majority of the entire board of directors of the bank must approve in advance an extension of credit to any of the above persons which exceeds $25,000.

Proposals to Simplify FDIC Rules and Regulations. The FDIC policy statement on regulations provides for the review every 5 years of each existing regulation to determine if it should be continued, revised or eliminated. The first review is well underway. During 1979, the majority of the Corporation's existing regulations and one proposed regulation were reviewed. To date, 11 specific actions have been taken: six regulations (Parts 301, 302, 305, 306, 325 and 334) were eliminated. A seventh, (Part 337) was substantially reduced by elimination of the insider transaction provisions. A proposed regulation (Part 340, relating to offering circular requirements for the public issuance of bank securities) was withdrawn and replaced by a substantially simplified policy statement; and proposals recommending the reduction or simplification of three other regulations were issued. Additional proposals to simplify and reduce other regulations currently are being drafted.

STATISTICS OF BANKS AND DEPOSIT INSURANCE
PART FIVE

NUMBER OF BANKS AND BRANCHES

Banks: **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;

A regulated certificated bank in Georgia; government-operated banks in North Dakota and Puerto Rico; a savings institution, known as a "trust company," operating under special charter in Texas; the Savings Banks Trust Company in New York; the Savings Bank and Trust Company Northwest Washington in the State of Washington; and branches of foreign banks engaged in a general deposit business in Illinois, Massachusetts, New York, Oregon, Pennsylvania, Washington, Guam, 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 saving 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 that 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 operates as rediscount banks and do not accept deposits except from financial institutions.

Branches: 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 that prohibit the operation of branches, such limited facilities are not considered branches within the meaning of State law.

Table 101. CHANGES IN NUMBER AND CLASSIFICATION OF BANKS AND BRANCHES IN THE UNITED STATES (STATES AND OTHER AREAS) DURING 1979

Type of change	All banks			Commercial banks and nondeposit trust companies							Mutual savings banks		
					Insured				Noninsured				
						Members F.R. System		Not members F.R. System	Banks of deposit	Nondeposit trust companies[1]			
	Total	Insured	Noninsured	Total	Insured Total	National	State				Total	Insured	Noninsured
ALL BANKING OFFICES													
Number of offices, December 31, 1979	**54,928**	**53,996**	**932**	**51,590**	**51,156**	**23,307**	**5,856**	**21,993**	**330**	**104**	**3,338**	**2,840**	**498**
Number of offices, December 31, 1978	**52,608**	**51,703**	**905**	**49,599**	**49,186**	**22,731**	**5,725**	**20,730**	**314**	**102**	**3,006**	**2,517**	**489**
Net change during year	+2,320	+2,293	+27	+1,991	+1,970	+576	+131	+1,263	+16	+2	+332	+323	+9
Offices opened	**2,895**	**2,849**	**46**	**2,532**	**2,498**	**1,072**	**236**	**1,190**	**27**	**7**	**363**	**351**	**12**
Banks	239	206	33	237	204	42	31	131	26	7	2	2	0
Branches	2,656	2,643	13	2,295	2,294	1,030	205	1,059	1	0	361	349	12
Offices closed	**575**	**563**	**12**	**544**	**533**	**279**	**79**	**175**	**6**	**5**	**31**	**30**	**1**
Banks	244	238	6	240	234	106	32	96	1	5	4	4	0
Branches	331	325	6	304	299	173	47	79	5	0	27	26	1
Changes in classification	**0**	+3	-3	**0**	+2	−217	−27	+246	−2	**0**	**0**	+1	−1
Among banks	0	0	0	0	0	−52	−23	+75	0	0	0	0	0
Among branches	0	+3	−3	0	+2	−165	−4	+171	−2	0	0	+1	−1
BANKS													
Number of banks, December 31, 1979	**15,201**	**14,688**	**513**	**14,738**	**14,364**	**4,448**	**977**	**8,939**	**282**	**92**	**463**	**324**	**139**
Number of banks, December 31, 1978[2]	**15,206**	**14,716**	**490**	**14,741**	**14,391**	**4,564**	**1,000**	**8,827**	**260**[3]	**90**[3]	**465**	**325**	**140**
Net change during year	−5	−28	+23	−3	−27	−116	−23	+112	+22	+2	−2	−1	−1
Banks beginning operation	**239**	**206**	**33**	**237**	**204**	**42**	**31**	**131**	**26**	**7**	**2**	**2**	**0**
New banks	235	206	29	233	204	42	31	131	22	7	2	2	0
Banks added to count[4]	1	0	1	1	0	0	0	0	1	0	0	0	0
Financial institution becoming bank of deposit	3	0	3	3	0	0	0	0	3	0	0	0	0
Banks ceasing operation	**244**	**238**	**6**	**240**	**234**	**106**	**32**	**96**	**1**	**5**	**4**	**4**	**0**
Absorptions, consolidations, and mergers	235	235	0	231	231	106	32	93	0	0	4	4	0
Closed because of financial difficulties	1	1	0	1	1	0	0	1	0	0	0	0	0
Other liquidations	3	2	1	3	2	0	0	2	0	1	0	0	0
Discontinued deposit operations	1	0	1	1	0	0	0	0	1	0	0	0	0
Banks deleted from count	4	0	4	4	0	0	0	0	0	4	0	0	0
Noninsured banks becoming insured	**0**	+4	−4	**0**	+3	**0**	+1	+2	−3	**0**	**0**	+1	−1

Other changes in classification	**0**	**0**	**0**	**0**	**0**	**−52**	**−23**	**+75**	**0**	**0**	**0**	**0**	**0**
National succeeding State bank	0	0	0	0	0	+1	0	−1	0	0	0	0	0
State succeeding national bank	0	0	0	0	0	−53	0	+53	0	0	0	0	0
Admission of insured bank to F.R. System	0	0	0	0	0	0	+6	−6	0	0	0	0	0
Withdrawal from F.R. System with continued insurance	0	0	0	0	0	0	−29	+29	0	0	0	0	0
Insured bank becoming noninsured bank	0	0	0	0	0	0	0	0	0	0	0	0	0
Mutual savings bank converted to commercial bank	0	0	0	0	0	0	0	0	0	0	0	0	0
Changes not involving number in any class													
Change in title	294	293	1	293	292	84	24	184	0	1	1	1	0
Change in location	29	25	4	29	25	7	1	17	0	4	0	0	0
Change in title and location	10	10	0	10	10	3	1	6	0	0	0	0	0
Change in name of location	10	8	2	10	8	3	0	5	1	1	0	0	0
Change in location within city	215	211	4	212	208	52	2	154	4	0	3	3	0
Change in corporate powers													
Granted trust powers	48	48	0	48	48	0	0	48	0	0	0	0	0
BRANCHES													
Number of branches, December 31, 1979	**39,727**	**39,308**	**419**	**36,852**	**36,792**	**18,859**	**4,879**	**13,054**	**48**	**12**	**2,875**	**2,516**	**359**
Number of branches, December 31, 1978[5]	**37,402**	**36,987**	**415**	**34,858**	**34,795**	**18,167**[3]	**4,725**[3]	**11,903**	**54**	**12**	**2,541**	**2,192**	**349**
Net change during year	**+2,325**	**+2,321**	**+4**	**+1,994**	**+1,997**	**+692**	**+154**	**+1,151**	**−6**	**0**	**+334**	**+324**	**+10**
Branches opened for business	**2,656**	**2,643**	**13**	**2,295**	**2,294**	**1,030**	**205**	**1,059**	**1**	**0**	**361**	**349**	**12**
Facilities designated by Treasury	2	2	0	2	2	2	0	0	0	0	0	0	0
Absorbed bank converted to branch	220	220	0	216	216	133	41	42	0	0	4	4	0
Branch replacing head office relocated	33	33	0	33	33	10	1	22	0	0	0	0	0
New branches	2,079	2,074	5	1,845	1,844	849	154	841	1	0	234	230	4
Branches and/or facilities added to count[4]	322	314	8	199	199	36	9	154	0	0	123	115	8
Branches discontinued	**331**	**325**	**6**	**304**	**299**	**173**	**47**	**79**	**5**	**0**	**27**	**26**	**1**
Facilities designated by Treasury	3	3	0	3	3	3	0	0	0	0	0	0	0
Branches	238	234	4	215	211	99	42	70	4	0	23	23	0
Branches and/or facilities deleted from count	90	88	2	86	85	71	5	9	1	0	4	3	1
Other changes in classification	**0**	**+3**	**−3**	**0**	**+2**	**−165**	**−4**	**+171**	**−2**	**0**	**0**	**+1**	**−1**
Branches changing class as a result of conversion	0	0	0	0	0	−175	+9	+166	0	0	0	0	0
Branches of noninsured banks admitted to insurance	0	+1	−1	0	0	0	0	0	0	0	0	+1	−1
Branches transferred through absorption, consolidation, or merger	0	+2	−2	0	+2	+10	+69	−77	−2	0	0	0	0
Branches of insured banks withdrawing from F.R.S.	0	0	0	0	0	0	−82	+82	0	0	0	0	0
Changes not involving number in any class													
Changes in operating powers of branches	1	1	0	1	1	1	0	0	0	0	0	0	0
Branches transferred through absorption, consolidation, or merger	402	402	0	402	374	272	20	82	0	0	28	28	0
Changes in title, location, or name of location	474	473	1	474	448	213	40	195	0	0	26	25	1

[1] Includes noninsured nondeposit trust companies, members of the Federal Reserve System.
[2] Reflects all banks opened or closed but not previously included in count.
[3] 1978 Bank or banch total adjusted from prior year.
[4] Banks and branches opened prior to 1979 but not included in count as of December 31, 1978.
[5] Includes all branch entities established in a prior year but not previously included in count.

Table 102. CHANGES IN NUMBER OF COMMERCIAL BANKS AND BRANCHES IN THE UNITED STATES (STATES AND OTHER AREAS) DURING 1979, BY STATE

State	In operation				Net change during 1979		Beginning operation in 1979				Ceasing operation in 1979			
	Dec. 31, 1979		Dec. 31, 1978				Banks		Branches		Banks		Branches	
	Banks	Branches	Banks	Branches	Banks	Branches	New	Other	New	Other	Absorptions	Other	Branches	Other
Total United States	**14,738**	**36,852**	**14,741**	**34,861**	**−3**	**+1,991**	**233**	**4**	**2,044**	**251**	**231**	**9**	**215**	**89**
50 States and D.C.	**14,708**	**0**	**14,711**	**0**	**−3**	**0**	**231**	**4**	**0**	**0**	**230**	**8**	**0**	**0**
Other areas	**30**	**0**	**30**	**0**	**0**	**0**	**2**	**0**	**0**	**0**	**1**	**1**	**0**	**0**
States														
Alabama	317	578	312	553	+5	+25	7	0	27	2	2	0	3	1
Alaska	12	109	12	112	NA	−3	0	0	1	0	0	0	2	2
Arizona	27	505	28	484	−1	+21	2	0	23	0	0	3	2	0
Arkansas	261	393	262	372	−1	+21	0	0	21	2	1	0	2	0
California	257	4,090	244	3,906	+13	+184	24	0	190	12	11	0	13	5
Colorado	410	97	394	81	+16	+16	17	0	14	2	0	1	0	0
Connecticut	65	593	65	587	0	+6	1	0	12	1	1	0	7	0
Delaware	20	147	19	147	+1	0	1	0	2	0	0	0	2	0
District of Columbia	17	140	17	138	NA	+2	0	0	3	0	0	0	1	0
Florida	585	946	617	743	−32	+203	12	0	162	44	44	0	2	1
Georgia	439	829	440	786	−1	+43	0	0	48	2	1	0	4	3
Hawaii	12	163	11	160	+1	+3	1	0	3	0	0	0	0	0
Idaho	27	236	24	228	+3	+8	3	0	8	0	0	0	0	0
Illinois	1,288	452	1,277	394	+11	+58	15	1	59	5	4	1	5	1
Indiana	406	1,082	406	1,035	0	+47	1	0	47	1	1	0	0	1
Iowa	657	538	657	500	NA	+38	0	0	49	0	0	0	9	2
Kansas	617	254	617	256	0	−2	1	0	22	1	0	1	1	24
Kentucky	343	697	344	644	−1	+53	1	0	53	2	2	0	1	1
Louisiana	262	764	256	715	+6	+49	7	0	50	4	1	0	5	0
Maine	41	299	43	293	−2	+6	0	0	5	2	2	0	0	1
Maryland	102	905	106	855	−4	+50	1	0	49	5	5	0	2	2
Massachusetts	149	936	152	924	−3	+12	1	0	22	4	4	0	8	6
Michigan	372	2,001	365	1,793	+7	+208	8	0	210	2	1	0	2	2
Minnesota	762	227	761	176	+1	+51	2	0	50	1	0	1	0	0
Mississippi	183	666	185	635	−2	+31	1	0	32	4	3	0	4	1
Missouri	727	415	720	399	+7	+16	7	0	20	2	0	0	5	1
Montana	165	28	163	23	+2	+5	2	0	5	0	0	0	0	0
Nebraska	461	236	459	199	+2	+37	2	0	38	1	0	0	2	0
Nevada	9	135	9	130	0	+5	1	0	4	1	1	0	0	0
New Hampshire	79	148	79	135	0	+13	1	0	13	1	1	0	0	1

New Jersey	176	1,554	184	1,535	−8	+19	1	0	25	8	9	0	12	2
New Mexico	87	238	87	227	NA	+11	0	0	11	0	0	0	0	0
New York	302	3,389	298	3,321[1]	+4	+68	8	3	111	7	7	0	39	11
North Carolina	83	1,723	89	1,683	−6	+40	1	0	49	8	7	0	13	4
North Dakota	175	123	174	117	+1	+6	1	0	6	1	0	0	1	0
Ohio	408	2,106	482	1,941	−74	+165	2	0	100	77	76	0	7	5
Oklahoma	496	248	485	217	+11	+31	11	0	31	0	0	0	0	0
Oregon	80	551	63	525	+17	+26	17	0	28	0	0	0	2	0
Pennsylvania	378	2,479	378	2,427	0	+52	3	0	64	3	3	0	10	5
Rhode Island	17	231	17	226	NA	+5	0	0	5	0	0	0	0	0
South Carolina	85	687	87	662	−2	+25	0	0	25	3	2	0	3	0
South Dakota	155	158	156	149	−1	+9	1	0	6	3	2	0	0	0
Tennessee	352	992	350	953	+2	+39	3	0	49	0	0	1	9	1
Texas	1,427	234	1,401	203	+26	+31	28	0	33	1	2	0	3	0
Utah	76	273	68	253	+8	+20	9	0	19	1	1	0	0	0
Vermont	30	159	30	147	NA	+12	0	0	12	0	0	0	0	0
Virginia	234	1,372	263	1,302	−29	+70	7	0	53	36	36	0	14	5
Washington	110	884	103	785	+7	+99	7	0	100	0	0	0	0	1
West Virginia	235	59	231	56	+4	+3	4	0	4	0	0	0	1	0
Wisconsin	636	500	633	444	+3	+56	3	0	66	0	0	0	10	0
Wyoming	94	3	88	3	+6	NA	6	0	0	0	0	0	0	0
Other areas														
Pacific Islands	4	25	3	24	+1	+1	1	0	1	0	0	0	0	0
Canal Zone[2]	0	2	0	2	0	NA	0	0	0	0	0	0	0	0
Puerto Rico	20	229	21	232	−1	−3	1	0	2	2	1	1	7	0
Virgin Islands	6	24	6	24	NA	0	0	0	2	0	0	0	2	0

[1]1978 Branch total adjusted.
[2]Canal Zone became a part of the Republic of Panama on October 1, 1979.
NA = No activity

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES, (STATES AND OTHER AREAS), DECEMBER 31, 1979
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	Non-members F.R. System	Banks of deposit[2]	Non-deposit trust companies[9]	Total	Insured	Non-insured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
United States—all offices	**54,928**	**53,996**	**932**	**51,590**	**51,156**	**23,307**	**5,856**	**21,993**	**330**	**104**	**3,338**	**2,840**	**498**	**98.3**	**99.2**	**85.1**
Banks	15,201	14,688	513	14,738	14,364	4,448	977	8,939	282	92	463	324	139	96.6	97.5	70.0
Unit Banks	*8,206*	*7,831*	*375*	*8,148*	*7,800*	*2,166*	*490*	*5,144*	*264*	*84*	*58*	*31*	*27*	*95.4*	*95.7*	*53.4*
Banks operating branches	*6,995*	*6,857*	*138*	*6,590*	*6,564*	*2,282*	*487*	*3,795*	*18*	*8*	*405*	*293*	*112*	*98.0*	*99.6*	*72.3*
Branches[3]	39,727	39,308	419	36,852	36,792	18,859	4,879	13,054	48	12	2,875	2,516	359	98.9	99.8	87.5
50 States & D.C.—all offices	**54,618**	**53,712**	**906**	**51,280**	**50,872**	**23,246**	**5,856**	**21,770**	**306**	**102**	**3,338**	**2,840**	**498**	**98.3**	**99.2**	**85.1**
Banks	15,171	14,675	496	14,708	14,351	4,448	977	8,926	267	90	463	324	139	96.7	97.6	70.0
Unit Banks	*8,187*	*7,827*	*360*	*8,129*	*7,796*	*2,166*	*490*	*5,140*	*251*	*82*	*58*	*31*	*27*	*95.6*	*95.9*	*53.4*
Banks operating branches	*6,984*	*6,848*	*136*	*6,579*	*6,555*	*2,282*	*487*	*3,786*	*16*	*8*	*405*	*293*	*112*	*98.1*	*99.6*	*72.3*
Branches[3]	39,447	39,037	410	36,572	36,521	18,798	4,879	12,844	39	12	2,875	2,516	359	99.0	99.9	87.5
Other Areas—all offices	**310**	**284**	**26**	**310**	**284**	**61**	**0**	**223**	**24**	**2**	**0**	**0**	**0**	**91.6**	**91.6**	**0.0**
Banks	30	13	17	30	13	0	0	13	15	2	0	0	0	43.3	43.3	0.0
Unit Banks	*19*	*4*	*15*	*19*	*4*	*0*	*0*	*4*	*13*	*2*	*0*	*0*	*0*	*21.1*	*21.1*	*0.0*
Banks operating branches	*11*	*9*	*2*	*11*	*9*	*0*	*0*	*9*	*2*	*0*	*0*	*0*	*0*	*81.8*	*81.8*	*0.0*
Branches[3]	280	271	9	280	271	61	0	210	9	0	0	0	0	96.8	96.8	0.0
STATE																
Alabama—all offices	**895**	**895**	**0**	**895**	**895**	**456**	**50**	**389**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	317	317	0	317	317	99	24	194	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*147*	*147*	*0*	*147*	*147*	*32*	*14*	*101*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*170*	*170*	*0*	*170*	*170*	*67*	*10*	*93*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	578	578	0	578	578	357	26	195	0	0	0	0	0	100.0	100.0	0.0
Alaska—all offices	**126**	**126**	**0**	**121**	**121**	**88**	**0**	**33**	**0**	**0**	**5**	**5**	**0**	**100.0**	**100.0**	**100.0**
Banks	14	14	0	12	12	6	0	6	0	0	2	2	0	100.0	100.0	100.0
Unit Banks	*2*	*2*	*0*	*1*	*1*	*0*	*0*	*1*	*0*	*0*	*1*	*1*	*0*	*100.0*	*100.0*	*100.0*
Banks operating branches	*12*	*12*	*0*	*11*	*11*	*6*	*0*	*5*	*0*	*0*	*1*	*1*	*0*	*100.0*	*100.0*	*100.0*
Branches	112	112	0	109	109	82	0	27	0	0	3	3	0	100.0	100.0	100.0
Arizona—all offices	**532**	**527**	**5**	**532**	**527**	**338**	**0**	**189**	**0**	**5**	**0**	**0**	**0**	**99.1**	**99.1**	**0.0**
Banks	27	22	5	27	22	3	0	19	0	5	0	0	0	81.5	81.5	0.0
Unit Banks	*16*	*11*	*5*	*16*	*11*	*1*	*0*	*10*	*0*	*5*	*0*	*0*	*0*	*68.8*	*68.8*	*0.0*
Banks operating branches	*11*	*11*	*0*	*11*	*11*	*2*	*0*	*9*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	505	505	0	505	505	335	0	170	0	0	0	0	0	100.0	100.0	0.0

Arkansas—all offices	**654**	**651**	**3**	**654**	**651**	**253**	**25**	**373**	**1**	**2**	**0**	**0**	**0**	**99.5**	**99.5**	**0.0**
Banks	261	258	3	261	258	68	6	184	1	2	0	0	0	98.9	98.9	0.0
Unit Banks	*105*	*102*	*3*	*105*	*102*	*15*	*1*	*86*	*1*	*2*	*0*	*0*	*0*	*97.1*	*97.1*	*0.0*
Banks operating branches	*156*	*156*	*0*	*156*	*156*	*53*	*5*	*98*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	393	393	0	393	393	185	19	189	0	0	0	0	0	100.0	100.0	0.0
California—all offices	**4,347**	**4,323**	**24**	**4,347**	**4,323**	**2,764**	**377**	**1,182**	**0**	**24**	**0**	**0**	**0**	**99.4**	**99.4**	**0.0**
Banks	257	242	15	257	242	42	7	193	0	15	0	0	0	94.2	94.2	0.0
Unit Banks	*86*	*77*	*9*	*86*	*77*	*13*	*0*	*64*	*0*	*9*	*0*	*0*	*0*	*89.5*	*89.5*	*0.0*
Banks operating branches	*171*	*165*	*6*	*171*	*165*	*29*	*7*	*129*	*0*	*6*	*0*	*0*	*0*	*96.5*	*96.5*	*0.0*
Branches[3]	4,090	4,081	9	4,090	4,081	2,722	370	989	0	9	0	0	0	99.8	99.8	0.0
Colorado—all offices	**507**	**404**	**103**	**507**	**404**	**197**	**33**	**174**	**103**	**0**	**0**	**0**	**0**	**79.7**	**79.7**	**0.0**
Banks	410	307	103	410	307	139	27	141	103	0	0	0	0	74.9	74.9	0.0
Unit Banks	*333*	*230*	*103*	*333*	*230*	*93*	*23*	*114*	*103*	*0*	*0*	*0*	*0*	*69.1*	*69.1*	*0.0*
Banks operating branches	*77*	*77*	*0*	*77*	*77*	*46*	*4*	*27*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	97	97	0	97	97	58	6	33	0	0	0	0	0	100.0	100.0	0.0
Connecticut—all offices	**1,052**	**1,052**	**0**	**658**	**658**	**221**	**87**	**350**	**0**	**0**	**394**	**394**	**0**	**100.0**	**100.0**	**100.0**
Banks	130	130	0	65	65	19	2	44	0	0	65	65	0	100.0	100.0	100.0
Unit Banks	*15*	*15*	*0*	*11*	*11*	*3*	*0*	*8*	*0*	*0*	*4*	*4*	*0*	*100.0*	*100.0*	*100.0*
Banks operating branches	*115*	*115*	*0*	*54*	*54*	*16*	*2*	*36*	*0*	*0*	*61*	*61*	*0*	*100.0*	*100.0*	*100.0*
Branches	922	922	0	593	593	202	85	306	0	0	329	329	0	100.0	100.0	100.0
Delaware—all offices	**193**	**191**	**2**	**167**	**165**	**11**	**0**	**154**	**0**	**2**	**26**	**26**	**0**	**99.0**	**98.8**	**100.0**
Banks	22	20	2	20	18	6	0	12	0	2	2	2	0	90.9	90.0	100.0
Unit Banks	*9*	*7*	*2*	*9*	*7*	*2*	*0*	*5*	*0*	*2*	*0*	*0*	*0*	*77.8*	*77.8*	*0.0*
Banks operating branches	*13*	*13*	*0*	*11*	*11*	*4*	*0*	*7*	*0*	*0*	*2*	*2*	*0*	*100.0*	*100.0*	*100.0*
Branches	171	171	0	147	147	5	0	142	0	0	24	24	0	100.0	100.0	100.0
Dist. of Col.—all offices	**157**	**157**	**0**	**157**	**157**	**154**	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	17	17	0	17	17	16	0	1	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*4*	*4*	*0*	*4*	*4*	*4*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*13*	*13*	*0*	*13*	*13*	*12*	*0*	*1*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	140	140	0	140	140	138	0	2	0	0	0	0	0	100.0	100.0	0.0
Florida—all offices	**1,531**	**1,523**	**8**	**1,531**	**1,523**	**641**	**70**	**812**	**1**	**7**	**0**	**0**	**0**	**99.5**	**99.5**	**0.0**
Banks	585	577	8	585	577	221	28	328	1	7	0	0	0	98.6	98.6	0.0
Unit Banks	*235*	*227*	*8*	*235*	*227*	*80*	*15*	*132*	*1*	*7*	*0*	*0*	*0*	*96.6*	*96.6*	*0.0*
Banks operating branches	*350*	*350*	*0*	*350*	*350*	*141*	*13*	*196*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	946	946	0	946	946	420	42	484	0	0	0	0	0	100.0	100.0	0.0
Georgia—all offices	**1,268**	**1,268**	**0**	**1,268**	**1,268**	**428**	**86**	**754**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	439	439	0	439	439	63	9	367	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*185*	*185*	*0*	*185*	*185*	*10*	*2*	*173*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*254*	*254*	*0*	*254*	*254*	*53*	*7*	*194*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	829	829	0	829	829	365	77	387	0	0	0	0	0	100.0	100.0	0.0
Hawaii—all offices	**175**	**169**	**6**	**175**	**169**	**14**	**0**	**155**	**0**	**6**	**0**	**0**	**0**	**96.6**	**96.6**	**0.0**
Banks	12	9	3	12	9	3	0	6	0	3	0	0	0	75.0	75.0	0.0
Unit Banks	*2*	*1*	*1*	*2*	*1*	*1*	*0*	*0*	*0*	*1*	*0*	*0*	*0*	*50.0*	*50.0*	*0.0*
Banks operating branches	*10*	*8*	*2*	*10*	*8*	*2*	*0*	*6*	*0*	*2*	*0*	*0*	*0*	*80.0*	*80.0*	*0.0*
Branches	163	160	3	163	160	11	0	149	0	3	0	0	0	98.2	98.2	0.0

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES, (STATES AND OTHER AREAS), DECEMBER 31, 1979—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	Non-insured	Total	Insured				Noninsured		Total	Insured	Non-insured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
					Total	Members F.R. System: National	Members F.R. System: State	Nonmembers F.R. System	Banks of deposit[2]	Nondeposit trust companies[9]						
Idaho—all offices	**263**	**263**	**0**	**263**	**263**	**191**	**10**	**62**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	27	27	0	27	27	7	4	16	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*7*	*7*	*0*	*7*	*7*	*1*	*2*	*4*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*20*	*20*	*0*	*20*	*20*	*6*	*2*	*12*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	236	236	0	236	236	184	6	46	0	0	0	0	0	100.0	100.0	0.0
Illinois—all offices	**1,740**	**1,702**	**38**	**1,740**	**1,702**	**621**	**89**	**992**	**32**	**6**	**0**	**0**	**0**	**97.8**	**97.8**	**0.0**
Banks	1,288	1,250	38	1,288	1,250	410	62	778	32	6	0	0	0	97.0	97.0	0.0
Unit Banks	*924*	*886*	*38*	*924*	*886*	*247*	*43*	*596*	*32*	*6*	*0*	*0*	*0*	*95.9*	*95.9*	*0.0*
Banks operating branches	*364*	*364*	*0*	*364*	*364*	*163*	*19*	*182*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	452	452	0	452	452	211	27	214	0	0	0	0	0	100.0	100.0	0.0
Indiana—all offices	**1,495**	**1,493**	**2**	**1,488**	**1,486**	**647**	**73**	**766**	**1**	**1**	**7**	**7**	**0**	**99.9**	**99.9**	**100.0**
Banks	410	408	2	406	404	119	40	245	1	1	4	4	0	99.5	99.5	100.0
Unit Banks	*125*	*123*	*2*	*123*	*121*	*25*	*19*	*77*	*1*	*1*	*2*	*2*	*0*	*98.4*	*98.4*	*100.0*
Banks operating branches	*285*	*285*	*0*	*283*	*283*	*94*	*21*	*168*	*0*	*0*	*2*	*2*	*0*	*100.0*	*100.0*	*100.0*
Branches	1,085	1,085	0	1,082	1,082	528	33	521	0	0	3	3	0	100.0	100.0	100.0
Iowa—all offices	**1,195**	**1,189**	**6**	**1,195**	**1,189**	**238**	**83**	**868**	**5**	**1**	**0**	**0**	**0**	**99.5**	**99.5**	**0.0**
Banks	657	651	6	657	651	99	40	512	5	1	0	0	0	99.1	99.1	0.0
Unit Banks	*383*	*377*	*6*	*383*	*377*	*48*	*23*	*306*	*5*	*1*	*0*	*0*	*0*	*98.4*	*98.4*	*0.0*
Banks operating branches	*274*	*274*	*0*	*274*	*274*	*51*	*17*	*206*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	538	538	0	538	538	139	43	356	0	0	0	0	0	100.0	100.0	0.0
Kansas—all offices	**871**	**870**	**1**	**871**	**870**	**274**	**24**	**572**	**1**	**0**	**0**	**0**	**0**	**99.9**	**99.9**	**0.0**
Banks	617	616	1	617	616	148	19	449	1	0	0	0	0	99.8	99.8	0.0
Unit Banks	*477*	*476*	*1*	*477*	*476*	*97*	*15*	*364*	*1*	*0*	*0*	*0*	*0*	*99.8*	*99.8*	*0.0*
Banks operating branches	*140*	*140*	*0*	*140*	*140*	*51*	*4*	*85*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	254	254	0	254	254	126	5	123	0	0	0	0	0	100.0	100.0	0.0
Kentucky—all offices	**1,040**	**1,039**	**1**	**1,040**	**1,039**	**345**	**99**	**595**	**1**	**0**	**0**	**0**	**0**	**99.9**	**99.9**	**0.0**
Banks	343	342	1	343	342	79	9	254	1	0	0	0	0	99.7	99.7	0.0
Unit Banks	*124*	*123*	*1*	*124*	*123*	*17*	*3*	*103*	*1*	*0*	*0*	*0*	*0*	*99.2*	*99.2*	*0.0*
Banks operating branches	*219*	*219*	*0*	*219*	*219*	*62*	*6*	*151*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	697	697	0	697	697	266	90	341	0	0	0	0	0	100.0	100.0	0.0

Louisiana—all offices	**1,026**	**1,026**	**0**	**1,026**	**1,026**	**356**	**49**	**621**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	262	262	0	262	262	55	6	201	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*72*	*72*	*0*	*72*	*72*	*13*	*1*	*58*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*190*	*190*	*0*	*190*	*190*	*42*	*5*	*143*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	764	764	0	764	764	301	43	420	0	0	0	0	0	100.0	100.0	0.0
Maine—all offices	**461**	**461**	**0**	**340**	**340**	**123**	**41**	**176**	**0**	**0**	**121**	**121**	**0**	**100.0**	**100.0**	**100.0**
Banks	70	70	0	41	41	14	3	24	0	0	29	29	0	100.0	100.0	100.0
Unit Banks	*8*	*8*	*0*	*4*	*4*	*1*	*0*	*3*	*0*	*0*	*4*	*4*	*0*	*100.0*	*100.0*	*100.0*
Banks operating branches	*62*	*62*	*0*	*37*	*37*	*13*	*3*	*21*	*0*	*0*	*25*	*25*	*0*	*100.0*	*100.0*	*100.0*
Branches	391	391	0	299	299	109	38	152	0	0	92	92	0	100.0	100.0	100.0
Maryland—all offices	**1,072**	**1,072**	**0**	**1,007**	**1,007**	**394**	**106**	**507**	**0**	**0**	**65**	**65**	**0**	**100.0**	**100.0**	**100.0**
Banks	105	105	0	102	102	31	5	66	0	0	3	3	0	100.0	100.0	100.0
Unit Banks	*19*	*19*	*0*	*19*	*19*	*4*	*0*	*15*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*86*	*86*	*0*	*83*	*83*	*27*	*5*	*51*	*0*	*0*	*3*	*3*	*0*	*100.0*	*100.0*	*100.0*
Branches	967	967	0	905	905	363	101	441	0	0	62	62	0	100.0	100.0	100.0
Massachusetts—all offices	**1,722**	**1,217**	**505**	**1,085**	**1,078**	**492**	**76**	**510**	**6**	**1**	**637**	**139**	**498**	**70.7**	**99.4**	**21.8**
Banks	312	167	145	149	143	71	7	65	5	1	163	24	139	53.5	96.0	14.7
Unit Banks	*52*	*19*	*33*	*23*	*17*	*8*	*0*	*9*	*5*	*1*	*29*	*2*	*27*	*36.5*	*73.9*	*6.9*
Banks operating branches	*260*	*148*	*112*	*126*	*126*	*63*	*7*	*56*	*0*	*0*	*134*	*22*	*112*	*56.9*	*100.0*	*16.4*
Branches[3]	1,410	1,050	360	936	935	421	69	445	1	0	474	115	359	74.5	99.9	24.3
Michigan—all offices	**2,373**	**2,370**	**3**	**2,373**	**2,370**	**1,101**	**586**	**683**	**3**	**0**	**0**	**0**	**0**	**99.9**	**99.9**	**0.0**
Banks	372	371	1	372	371	123	79	169	1	0	0	0	0	99.7	99.7	0.0
Unit Banks	*70*	*70*	*0*	*70*	*70*	*13*	*15*	*42*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*302*	*301*	*1*	*302*	*301*	*110*	*64*	*127*	*1*	*0*	*0*	*0*	*0*	*99.7*	*99.7*	*0.0*
Branches	2,001	1,999	2	2,001	1,999	978	507	514	2	0	0	0	0	99.9	99.9	0.0
Minnesota—all offices	**991**	**988**	**3**	**989**	**986**	**315**	**40**	**631**	**1**	**2**	**2**	**2**	**0**	**99.7**	**99.7**	**100.0**
Banks	763	760	3	762	759	205	32	522	1	2	1	1	0	99.6	99.6	100.0
Unit Banks	*587*	*584*	*3*	*587*	*584*	*132*	*25*	*427*	*1*	*2*	*0*	*0*	*0*	*99.5*	*99.5*	*0.0*
Banks operating branches	*176*	*176*	*0*	*175*	*175*	*73*	*7*	*95*	*0*	*0*	*1*	*1*	*0*	*100.0*	*100.0*	*100.0*
Branches	228	228	0	227	227	110	8	109	0	0	1	1	0	100.0	100.0	100.0
Mississippi—all offices	**849**	**848**	**1**	**849**	**848**	**304**	**20**	**524**	**0**	**1**	**0**	**0**	**0**	**99.9**	**99.9**	**0.0**
Banks	183	182	1	183	182	38	5	139	0	1	0	0	0	99.5	99.5	0.0
Unit Banks	*36*	*35*	*1*	*36*	*35*	*3*	*1*	*31*	*0*	*1*	*0*	*0*	*0*	*97.2*	*97.2*	*0.0*
Banks operating branches	*147*	*147*	*0*	*147*	*147*	*35*	*4*	*108*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	666	666	0	666	666	266	15	385	0	0	0	0	0	100.0	100.0	0.0
Missouri—all offices	**1,142**	**1,136**	**6**	**1,142**	**1,136**	**170**	**83**	**883**	**0**	**6**	**0**	**0**	**0**	**99.5**	**99.5**	**0.0**
Banks	727	721	6	727	721	98	47	576	0	6	0	0	0	99.2	99.2	0.0
Unit Banks	*404*	*398*	*6*	*404*	*398*	*49*	*22*	*327*	*0*	*6*	*0*	*0*	*0*	*98.5*	*98.5*	*0.0*
Banks operating branches	*323*	*323*	*0*	*323*	*323*	*49*	*25*	*249*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	415	415	0	415	415	72	36	307	0	0	0	0	0	100.0	100.0	0.0
Montana—all offices	**193**	**190**	**3**	**193**	**190**	**68**	**51**	**71**	**0**	**3**	**0**	**0**	**0**	**98.4**	**98.4**	**0.0**
Banks	165	162	3	165	162	56	45	61	0	3	0	0	0	98.2	98.2	0.0
Unit Banks	*138*	*135*	*3*	*138*	*135*	*45*	*39*	*51*	*0*	*3*	*0*	*0*	*0*	*97.8*	*97.8*	*0.0*
Banks operating branches	*27*	*27*	*0*	*27*	*27*	*11*	*6*	*10*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	28	28	0	28	28	12	6	10	0	0	0	0	0	100.0	100.0	0.0

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES, (STATES AND OTHER AREAS), DECEMBER 31, 1979—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		Non-members F.R. System	Banks of deposit[2]	Nondeposit trust companies[9]						
	Total	Insured	Non-insured	Total	Total	National	State				Total	Insured	Non-insured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
Nebraska—all offices	**697**	**690**	**7**	**697**	**690**	**290**	**10**	**390**	**0**	**7**	**0**	**0**	**0**	**99.0**	**99.0**	**0.0**
Banks	461	454	7	461	454	117	8	329	0	7	0	0	0	98.5	98.5	0.0
Unit Banks	*380*	*373*	*7*	*380*	*373*	*79*	*7*	*287*	*0*	*7*	*0*	*0*	*0*	*98.2*	*98.2*	*0.0*
Banks operating branches	*81*	*81*	*0*	*81*	*81*	*38*	*1*	*42*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	236	236	0	236	236	173	2	61	0	0	0	0	0	100.0	100.0	0.0
Nevada—all offices	**144**	**144**	**0**	**144**	**144**	**107**	**24**	**13**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	9	9	0	9	9	4	1	4	0	0	0	0	0	100.0	100.0	0.0
Unit Bank	*3*	*3*	*0*	*3*	*3*	*1*	*0*	*2*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*6*	*6*	*0*	*6*	*6*	*3*	*1*	*2*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	135	135	0	135	135	103	23	9	0	0	0	0	0	100.0	100.0	0.0
New Hampshire—all offices	**306**	**305**	**1**	**227**	**226**	**130**	**7**	**89**	**0**	**1**	**79**	**79**	**0**	**99.7**	**99.6**	**100.0**
Banks	105	104	1	79	78	36	4	38	0	1	26	26	0	99.0	98.7	100.0
Unit Banks	*32*	*31*	*1*	*24*	*23*	*7*	*2*	*14*	*0*	*1*	*8*	*8*	*0*	*96.9*	*95.8*	*100.0*
Banks operating branches	*73*	*73*	*0*	*55*	*55*	*29*	*2*	*24*	*0*	*0*	*18*	*18*	*0*	*100.0*	*100.0*	*100.0*
Branches	201	201	0	148	148	94	3	51	0	0	53	53	0	100.0	100.0	100.0
New Jersey—all offices	**1,932**	**1,932**	**0**	**1,730**	**1,730**	**1,077**	**237**	**416**	**0**	**0**	**202**	**202**	**0**	**100.0**	**100.0**	**100.0**
Banks	196	196	0	176	176	93	15	68	0	0	20	20	0	100.0	100.0	100.0
Unit Banks	*29*	*29*	*0*	*26*	*26*	*11*	*0*	*15*	*0*	*0*	*3*	*3*	*0*	*100.0*	*100.0*	*100.0*
Banks operating branches	*167*	*167*	*0*	*150*	*150*	*82*	*15*	*53*	*0*	*0*	*17*	*17*	*0*	*100.0*	*100.0*	*100.0*
Branches	1,736	1,736	0	1,554	1,554	984	222	348	0	0	182	182	0	100.0	100.0	100.0
New Mexico—all offices	**325**	**324**	**1**	**325**	**324**	**163**	**20**	**141**	**0**	**1**	**0**	**0**	**0**	**99.7**	**99.7**	**0.0**
Banks	87	86	1	87	86	40	6	40	0	1	0	0	0	98.9	98.9	0.0
Unit Banks	*21*	*20*	*1*	*21*	*20*	*10*	*2*	*8*	*0*	*1*	*0*	*0*	*0*	*95.2*	*95.2*	*0.0*
Banks operating branches	*66*	*66*	*0*	*66*	*66*	*30*	*4*	*32*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	238	238	0	238	238	123	14	101	0	0	0	0	0	100.0	100.0	0.0
New York—all offices	**4,958**	**4,864**	**94**	**3,691**	**3,597**	**1,661**	**1,596**	**340**	**88**	**6**	**1,267**	**1,267**	**0**	**98.1**	**97.5**	**100.0**
Banks	414	331	83	302	219	116	46	57	77	6	112	112	0	80.0	72.5	100.0
Unit Banks	*143*	*70*	*73*	*140*	*67*	*32*	*12*	*23*	*67*	*6*	*3*	*3*	*0*	*49.0*	*47.9*	*100.0*
Banks operating branches	*271*	*261*	*10*	*162*	*152*	*84*	*34*	*34*	*10*	*0*	*109*	*109*	*0*	*96.3*	*93.8*	*100.0*
Branches[3]	4,544	4,533	11	3,389	3,378	1,545	1,550	283	11	0	1,155	1,155	0	99.8	99.7	100.0

North Carolina—all offices	**1,806**	**1,795**	**11**	**1,806**	**1,795**	**862**	**7**	**926**	**11**	**0**	**0**	**0**	**0**	**99.4**	**99.4**	**0.0**
Banks	83	82	1	83	82	26	2	54	1	0	0	0	0	98.8	98.8	0.0
Unit Banks	*15*	*15*	*0*	*15*	*15*	*3*	*1*	*11*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*68*	*67*	*1*	*68*	*67*	*23*	*1*	*43*	*1*	*0*	*0*	*0*	*0*	*98.5*	*98.5*	*0.0*
Branches	1,723	1,713	10	1,723	1,713	836	5	872	10	0	0	0	0	99.4	99.4	0.0
North Dakota—all offices	**298**	**295**	**3**	**298**	**295**	**85**	**6**	**204**	**1**	**2**	**0**	**0**	**0**	**99.0**	**99.0**	**0.0**
Banks	175	172	3	175	172	41	3	128	1	2	0	0	0	98.3	98.3	0.0
Unit Banks	*98*	*95*	*3*	*98*	*95*	*16*	*1*	*78*	*1*	*2*	*0*	*0*	*0*	*96.9*	*96.9*	*0.0*
Banks operating branches	*77*	*77*	*0*	*77*	*77*	*25*	*2*	*50*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	123	123	0	123	123	44	3	76	0	0	0	0	0	100.0	100.0	0.0
Ohio—all offices	**2,514**	**2,513**	**1**	**2,514**	**2,513**	**1,519**	**559**	**435**	**1**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	408	407	1	408	407	177	93	137	1	0	0	0	0	99.8	99.8	0.0
Unit Banks	*118*	*117*	*1*	*118*	*117*	*35*	*30*	*52*	*1*	*0*	*0*	*0*	*0*	*99.2*	*99.2*	*0.0*
Banks operating branches	*290*	*290*	*0*	*290*	*290*	*142*	*63*	*85*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	2,106	2,106	0	2,106	2,106	1,342	466	298	0	0	0	0	0	100.0	100.0	0.0
Oklahoma—all offices	**744**	**737**	**7**	**744**	**737**	**376**	**19**	**342**	**5**	**2**	**0**	**0**	**0**	**99.1**	**99.1**	**0.0**
Banks	496	489	7	496	489	190	17	282	5	2	0	0	0	98.6	98.6	0.0
Unit Banks	*366*	*359*	*7*	*366*	*359*	*116*	*15*	*228*	*5*	*2*	*0*	*0*	*0*	*98.1*	*98.1*	*0.0*
Banks operating branches	*130*	*130*	*0*	*130*	*130*	*74*	*2*	*54*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	248	248	0	248	248	186	2	60	0	0	0	0	0	100.0	100.0	0.0
Oregon—all offices	**650**	**642**	**8**	**631**	**623**	**345**	**6**	**272**	**7**	**1**	**19**	**19**	**0**	**98.8**	**98.7**	**100.0**
Banks	82	77	5	80	75	6	5	64	4	1	2	2	0	93.9	93.8	100.0
Unit Banks	*39*	*35*	*4*	*39*	*35*	*1*	*4*	*30*	*3*	*1*	*0*	*0*	*0*	*89.7*	*89.7*	*0.0*
Banks operating branches	*43*	*42*	*1*	*41*	*40*	*5*	*1*	*34*	*1*	*0*	*2*	*2*	*0*	*97.7*	*97.6*	*100.0*
Branches[3]	568	565	3	551	548	339	1	208	3	0	17	17	0	99.5	99.5	100.0
Pennsylvania—all offices	**3,067**	**3,054**	**13**	**2,857**	**2,844**	**1,661**	**195**	**988**	**11**	**2**	**210**	**210**	**0**	**99.6**	**99.5**	**100.0**
Banks	387	376	11	378	367	223	12	132	9	2	9	9	0	97.2	97.1	100.0
Unit Banks	*114*	*104*	*10*	*114*	*104*	*73*	*3*	*28*	*8*	*2*	*0*	*0*	*0*	*91.2*	*91.2*	*0.0*
Banks operating branches	*273*	*272*	*1*	*264*	*263*	*150*	*9*	*104*	*1*	*0*	*9*	*9*	*0*	*99.6*	*99.6*	*100.0*
Branches[3]	2,680	2,678	2	2,479	2,477	1,438	183	856	2	0	201	201	0	99.9	99.9	100.0
Rhode Island—all offices	**323**	**310**	**13**	**248**	**235**	**122**	**0**	**113**	**12**	**1**	**75**	**75**	**0**	**96.0**	**94.8**	**100.0**
Banks	23	20	3	17	14	5	0	9	2	1	6	6	0	87.0	82.4	100.0
Unit Banks	*3*	*2*	*1*	*3*	*2*	*0*	*0*	*2*	*0*	*1*	*0*	*0*	*0*	*66.7*	*66.7*	*0.0*
Banks operating branches	*20*	*18*	*2*	*14*	*12*	*5*	*0*	*7*	*2*	*0*	*6*	*6*	*0*	*90.0*	*85.7*	*100.0*
Branches	300	290	10	231	221	117	0	104	10	0	69	69	0	96.7	95.7	100.0
South Carolina—all offices	**772**	**772**	**0**	**772**	**772**	**365**	**18**	**389**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	85	85	0	85	85	18	7	60	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*20*	*20*	*0*	*20*	*20*	*1*	*2*	*17*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*65*	*65*	*0*	*65*	*65*	*17*	*5*	*43*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	687	687	0	687	687	347	11	329	0	0	0	0	0	100.0	100.0	0.0
South Dakota—all offices	**313**	**312**	**1**	**313**	**312**	**131**	**43**	**138**	**0**	**1**	**0**	**0**	**0**	**99.7**	**99.7**	**0.0**
Banks	155	154	1	155	154	33	27	94	0	1	0	0	0	99.4	99.4	0.0
Unit Banks	*104*	*103*	*1*	*104*	*103*	*20*	*18*	*65*	*0*	*1*	*0*	*0*	*0*	*99.0*	*99.0*	*0.0*
Banks operating branches	*51*	*51*	*0*	*51*	*51*	*13*	*9*	*29*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	158	158	0	158	158	98	16	44	0	0	0	0	0	100.0	100.0	0.0

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES, (STATES AND OTHER AREAS), DECEMBER 31, 1979—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	Non-members F.R. System	Banks of deposit[2]	Non-deposit trust companies[3]	Total	Insured	Non-insured	All banks of deposit	Commercial banks of deposit	Mutual savings banks
Tennessee—all offices	**1,344**	**1,342**	**2**	**1,344**	**1,342**	**480**	**60**	**802**	**1**	**1**	**0**	**0**	**0**	**99.9**	**99.9**	**0.0**
Banks	352	350	2	352	350	69	10	271	1	1	0	0	0	99.4	99.4	0.0
Unit Banks	*86*	*84*	*2*	*86*	*84*	*6*	*1*	*77*	*1*	*1*	*0*	*0*	*0*	*97.7*	*97.7*	*0.0*
Banks operating branches	*266*	*266*	*0*	*266*	*266*	*63*	*9*	*194*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	992	992	0	992	992	411	50	531	0	0	0	0	0	100.0	100.0	0.0
Texas—all offices	**1,661**	**1,656**	**5**	**1,661**	**1,656**	**669**	**58**	**929**	**5**	**0**	**0**	**0**	**0**	**99.7**	**99.7**	**0.0**
Banks	1,427	1,422	5	1,427	1,422	615	41	766	5	0	0	0	0	99.6	99.6	0.0
Unit Banks	*1,223*	*1,218*	*5*	*1,223*	*1,218*	*568*	*27*	*623*	*5*	*0*	*0*	*0*	*0*	*99.6*	*99.6*	*0.0*
Banks operating branches	*204*	*204*	*0*	*204*	*204*	*47*	*14*	*143*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	234	234	0	234	234	54	17	163	0	0	0	0	0	100.0	100.0	0.0
Utah—all offices	**349**	**347**	**2**	**349**	**347**	**132**	**114**	**101**	**0**	**2**	**0**	**0**	**0**	**99.4**	**99.4**	**0.0**
Banks	76	74	2	76	74	11	16	47	0	2	0	0	0	97.4	97.4	0.0
Unit Banks	*48*	*46*	*2*	*48*	*46*	*7*	*9*	*30*	*0*	*2*	*0*	*0*	*0*	*95.8*	*95.8*	*0.0*
Banks operating branches	*28*	*28*	*0*	*28*	*28*	*4*	*7*	*17*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	273	273	0	273	273	121	98	54	0	0	0	0	0	100.0	100.0	0.0
Vermont—all offices	**222**	**221**	**1**	**189**	**188**	**56**	**1**	**131**	**0**	**1**	**33**	**33**	**0**	**99.5**	**99.5**	**100.0**
Banks	36	35	1	30	29	12	1	16	0	1	6	6	0	97.2	96.7	100.0
Unit Banks	*9*	*8*	*1*	*8*	*7*	*4*	*1*	*2*	*0*	*1*	*1*	*1*	*0*	*88.9*	*87.5*	*100.0*
Banks operating branches	*27*	*27*	*0*	*22*	*22*	*8*	*0*	*14*	*0*	*0*	*5*	*5*	*0*	*100.0*	*100.0*	*100.0*
Branches	186	186	0	159	159	44	0	115	0	0	27	27	0	100.0	100.0	100.0
Virginia—all offices	**1,606**	**1,605**	**1**	**1,606**	**1,605**	**697**	**607**	**301**	**0**	**1**	**0**	**0**	**0**	**99.9**	**99.9**	**0.0**
Banks	234	233	1	234	233	72	78	83	0	1	0	0	0	99.6	99.6	0.0
Unit Banks	*61*	*60*	*1*	*61*	*60*	*10*	*29*	*21*	*0*	*1*	*0*	*0*	*0*	*98.4*	*98.4*	*0.0*
Banks operating branches	*173*	*173*	*0*	*173*	*173*	*62*	*49*	*62*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	1,372	1,372	0	1,372	1,372	625	529	218	0	0	0	0	0	100.0	100.0	0.0
Washington—all offices	**1,187**	**1,177**	**10**	**994**	**984**	**636**	**8**	**340**	**9**	**1**	**193**	**193**	**0**	**99.2**	**99.0**	**100.0**
Banks	120	110	10	110	100	21	4	75	9	1	10	10	0	91.7	90.9	100.0
Unit Banks	*42*	*32*	*10*	*42*	*32*	*2*	*3*	*27*	*9*	*1*	*0*	*0*	*0*	*76.2*	*76.2*	*0.0*
Banks operating branches	*78*	*78*	*0*	*68*	*68*	*19*	*1*	*48*	*0*	*0*	*10*	*10*	*0*	*100.0*	*100.0*	*100.0*
Branches[3]	1,067	1,067	0	884	884	615	4	265	0	0	183	183	0	100.0	100.0	100.0

West Virginia—all offices	**294**	**294**	**0**	**294**	**294**	**136**	**35**	**123**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	235	235	0	235	235	107	29	99	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*176*	*176*	*0*	*176*	*176*	*78*	*23*	*75*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*59*	*59*	*0*	*59*	*59*	*29*	*6*	*24*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	59	59	0	59	59	29	6	24	0	0	0	0	0	100.0	100.0	0.0
Wisconsin—all offices	**1,139**	**1,134**	**5**	**1,136**	**1,131**	**294**	**49**	**788**	**0**	**5**	**3**	**3**	**0**	**99.6**	**99.6**	**100.0**
Banks	639	634	5	636	631	131	27	473	0	5	3	3	0	99.2	99.2	100.0
Unit Banks	*401*	*396*	*5*	*398*	*393*	*83*	*18*	*292*	*0*	*5*	*3*	*3*	*0*	*98.8*	*98.7*	*100.0*
Banks operating branches	*238*	*238*	*0*	*238*	*238*	*48*	*9*	*181*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	500	500	0	500	500	163	22	315	0	0	0	0	0	100.0	100.0	0.0
Wyoming—all offices	**97**	**97**	**0**	**97**	**97**	**48**	**19**	**30**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	94	94	0	94	94	47	19	28	0	0	0	0	0	100.0	100.0	0.0
Unit Banks	*91*	*91*	*0*	*91*	*91*	*46*	*19*	*26*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Banks operating branches	*3*	*3*	*0*	*3*	*3*	*1*	*0*	*2*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches	3	3	0	3	3	1	0	2	0	0	0	0	0	100.0	100.0	0.0
OTHER AREAS																
Pacific Is.—all offices[4]	**29**	**26**	**3**	**29**	**26**	**10**	**0**	**16**	**3**	**0**	**0**	**0**	**0**	**89.7**	**89.7**	**0.0**
Banks	4	1	3	4	1	0	0	1	3	0	0	0	0	25.0	25.0	0.0
Unit Banks	*3*	*0*	*3*	*3*	*0*	*0*	*0*	*0*	*3*	*0*	*0*	*0*	*0*	*0.0*	*0.0*	*0.0*
Banks operating branches	*1*	*1*	*0*	*1*	*1*	*0*	*0*	*1*	*0*	*0*	*0*	*0*	*0*	*100.0*	*100.0*	*0.0*
Branches[5]	25	25	0	25	25	10	0	15	0	0	0	0	0	100.0	100.0	0.0
Canal Zone—all offices	**2**	**2**	**0**	**2**	**2**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**100.0**	**100.0**	**0.0**
Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0
Unit Banks	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0.0*	*0.0*	*0.0*
Banks operating branches	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0.0*	*0.0*	*0.0*
Branches[6]	2	2	0	2	2	2	0	0	0	0	0	0	0	100.0	100.0	0.0
Puerto Rico—all offices	**249**	**232**	**17**	**249**	**232**	**25**	**0**	**207**	**15**	**2**	**0**	**0**	**0**	**93.2**	**93.2**	**0.0**
Banks	20	12	8	20	12	0	0	12	6	2	0	0	0	60.0	60.0	0.0
Unit Banks	*10*	*4*	*6*	*10*	*4*	*0*	*0*	*4*	*4*	*2*	*0*	*0*	*0*	*40.0*	*40.0*	*0.0*
Banks operating branches	*10*	*8*	*2*	*10*	*8*	*0*	*0*	*8*	*2*	*0*	*0*	*0*	*0*	*80.0*	*80.0*	*0.0*
Branches[7]	229	220	9	229	220	25	0	195	9	0	0	0	0	96.1	96.1	0.0
Virgin Islands—all offices	**30**	**24**	**6**	**30**	**24**	**24**	**0**	**0**	**6**	**0**	**0**	**0**	**0**	**80.0**	**80.0**	**0.0**
Banks	6	0	6	6	0	0	0	0	6	0	0	0	0	0.0	0.0	0.0
Unit Banks	*6*	*0*	*6*	*6*	*0*	*0*	*0*	*0*	*6*	*0*	*0*	*0*	*0*	*0.0*	*0.0*	*0.0*
Banks operating branches	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0.0*	*0.0*	*0.0*
Branches[8]	24	24	0	24	24	24	0	0	0	0	0	0	0	100.0	100.0	0.0

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES, (STATES AND OTHER AREAS), DECEMBER 31, 1979—CONTINUED
GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA AND TYPE OF OFFICE

[1] Nondeposit trust companies are excluded in computing these percentages.
[2] 9 noninsured branches of insured banks are included with parent banks—7 in the Pacific Islands and 2 in the Canal Zone.
[3] California— 1 branch operated by a state nonmember bank in Puerto Rico.
Massachusetts— 1 branch operated by a noninsured bank in New York.
New York— 18 branches operated by 3 state nonmember banks in Puerto Rico.
Oregon— 1 branch operated by a national bank in California.
Pennsylvania— 2 branches operated by a noninsured bank in New York and a national bank in New Jersey.
Washington— 3 branches operated by a national bank in California.
[4] United States possessions— American Samoa, Guam, Midway Islands and Northern Mariana Islands.
Trust Territories— Caroline Islands and Marshall Islands.
[5] Pacific Islands— 23 branches— Deposits are insured only where indicated.
American Samoa— 1 insured branch operated by a state nonmember bank in Hawaii.
Guam— 11 insured branches operated by 2 state nonmember banks in Hawaii, a State nonmember bank and a national bank in California and 2 national banks in New York.
Caroline Islands— 4 noninsured branches operated by a national bank in California and a state nonmember bank in Hawaii.
Northen Mariana Islands— 4 insured branches operated by a national bank and a state nonmember bank in California and a state nonmember bank in Hawaii.
Marshall Islands— 3 noninsured branches operated by a national bank in California and a state nonmember bank in Hawaii.
[6] Canal Zone— 2 noninsured branches operated by 2 national banks in New York. Branch deposits are not insurable in the Canal Zone. Branches are listed with the parent bank.
[7] Puerto Rico— 25 insured branches operated by 2 national banks in New York, and a national bank in California.
[8] Virgin Islands— 24 insured branches operated by 2 national banks in New York, a national bank in California, and a national bank in Pennsylvania.
[9] Includes noninsured nondeposit trust companies—members of Federal Reserve System.

Table 104. NUMBER AND ASSETS OF ALL COMMERCIAL AND MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979
BANKS GROUPED BY CLASS AND ASSET SIZE
(In thousands of dollars)

Asset Size	All banks	Insured commercial banks				Non-insured banks and trust companies	Mutual savings banks	
		Total	Members F.R. System		Nonmembers F. R. System		Insured	Non-insured
			National	State				
Number of banks								
Less than $5.0 million	1,156	830	91	50	689	274	—	52
$5.0 to 9.9 million	2,149	2,128	327	119	1,682	19	2	—
$10.0 to 24.9 million	4,760	4,728	1,249	293	3,186	17	10	5
$25.0 to 49.9 million	3,418	3,371	1,201	227	1,943	7	23	17
$50.0 to 99.9 million	1,874	1,764	760	115	889	8	81	21
$100.0 to 299.9 million	1,209	1,051	534	99	418	22	98	38
$300.0 to 499.9 million	218	171	85	17	69	7	35	5
$500.0 to 999.9 million	194	149	85	23	41	9	35	1
$1.0 to 4.9 billion	193	144	98	24	22	11	38	—
$5.0 billion or more	30	28	18	10	—	—	2	—
Total banks	**15,201**	**14,364**	**4,448**	**977**	**8,939**	**374**	**324**	**139**
			(In thousands of dollars)					
Amount of assets								
Less than $5.0 million	3,263,543	3,012,792	352,930	176,919	2,482,943	250,751	0	0
$5.0 to 9.9 million	16,279,466	16,130,729	2,504,746	920,677	12,705,306	133,065	15,672	0
$10.0 to 24.9 million	79,551,028	79,028,607	21,622,684	4,902,175	52,503,748	255,258	172,804	94,359
$25.0 to 49.9 million	121,095,454	119,247,370	43,000,644	8,006,554	68,240,172	255,266	940,016	652,802
$50.0 to 99.9 million	130,293,111	122,154,540	52,825,552	8,017,858	61,311,130	621,925	5,942,598	1,574,048
$100.0 to 299.9 million	195,335,382	167,888,367	86,688,705	16,457,224	64,742,438	4,222,639	17,102,602	6,121,774
$300.0 to 499.9 million	85,601,058	67,042,756	33,697,555	6,624,527	26,720,674	2,942,012	13,859,741	1,756,549
$500.0 to 999.9 million	132,270,318	100,060,098	58,499,271	15,147,430	26,413,397	5,672,005	25,990,916	547,299
$1.0 to 4.9 billion	386,307,219	297,358,234	208,590,606	51,674,820	37,092,808	17,729,765	71,219,220	0
$5.0 billion or more	440,895,774	429,026,862	284,473,606	144,553,256	0	0	11,868,912	0
Total assets	**1,590,892,353**	**1,400,950,355**[1]	**792,256,299**	**256,481,440**	**352,212,616**	**32,082,686**	**147,112,481**	**10,746,831**

[1] Domestic assets only; does not include assets of branches of U.S. banks in "Other areas."

Table 105. NUMBER, ASSETS, AND DEPOSITS OF ALL COMMERCIAL BANKS[1] IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979
BANKS GROUPED BY ASSET SIZE AND STATE
(Amounts in thousands of dollars)

State	All banks	Banks with assets of— Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Total United States and other areas[2]											
Banks	14,738	1,104	2,147	4,745	3,378	1,772	1,071	178	157	153	33
Total assets[3]	1,724,008,628	3,263,543	16,263,794	79,248,366	119,502,636	122,684,142	171,568,942	69,855,601	105,606,570	311,937,592	724,077,442
Total deposits[3]	1,377,037,113	2,691,883	14,411,928	70,808,899	106,394,041	108,032,593	145,745,509	57,363,728	84,230,096	234,959,875	552,398,561
States											
Alabama											
Banks	317	12	37	135	85	27	13	1	5	2	0
Assets	15,785,089	51,379	283,426	2,215,476	2,834,891	1,726,650	2,243,168	407,995	3,116,329	2,905,775	0
Deposits	13,450,183	42,296	249,723	1,971,297	2,509,161	1,540,939	1,952,060	352,245	2,545,282	2,287,180	0
Alaska											
Banks	12	0	0	0	2	5	3	1	1	0	0
Assets	1,980,618	0	0	0	73,500	347,156	517,623	437,565	604,774	0	0
Deposits	1,564,010	0	0	0	63,954	289,560	403,289	332,779	474,428	0	0
Arizona											
Banks	27	6	5	7	1	2	1	1	1	2	1
Assets	12,156,670	6,108	35,562	112,335	37,548	180,665	260,582	479,710	616,593	5,095,397	5,332,170
Deposits	10,346,952	796	29,322	98,471	34,715	156,828	235,730	425,111	538,436	4,490,170	4,337,373
Arkansas											
Banks	261	11	29	104	70	28	15	3	1	0	0
Assets	10,257,546	25,902	211,267	1,682,872	2,527,258	1,883,952	2,241,060	1,084,330	600,905	0	0
Deposits	8,756,869	21,550	186,811	1,505,707	2,254,499	1,647,741	1,921,831	791,820	426,910	0	0
California											
Banks	257	16	25	57	56	38	40	4	10	5	6
Assets	219,253,018	19,612	185,812	967,632	2,061,487	2,729,454	7,025,326	1,397,433	6,654,355	12,143,219	186,068,688
Deposits	177,782,960	7,086	142,907	823,327	1,806,362	2,419,747	6,277,297	1,162,832	5,785,548	9,989,224	149,368,630
Colorado											
Banks	410	110	57	128	59	31	21	0	2	2	0
Assets	15,145,608	284,168	424,083	2,096,004	2,144,665	2,133,243	3,067,958	0	1,646,581	3,348,906	0
Deposits	12,619,107	193,719	348,136	1,852,527	1,861,776	1,893,496	2,611,188	0	1,301,919	2,556,346	0
Connecticut											
Banks	65	1	2	20	18	10	6	0	4	4	0
Assets	12,944,890	4,975	14,567	363,198	642,629	772,653	996,687	0	2,608,683	7,541,498	0
Deposits	10,802,700	4,445	12,682	318,311	564,673	678,651	830,121	0	2,252,736	6,141,081	0
Delaware											
Banks	20	2	2	6	3	1	2	1	2	1	0
Assets	3,678,731	3,082	12,250	86,616	88,036	69,481	300,941	459,359	1,266,439	1,392,527	0
Deposits	2,746,869	1,908	10,803	78,420	76,116	61,079	97,039	404,321	1,076,220	940,963	0
District of Columbia											
Banks	17	0	0	4	2	3	3	0	3	2	0
Assets	7,815,939	0	0	61,004	98,605	169,459	373,179	0	2,123,535	4,990,157	0
Deposits	6,353,506	0	0	51,425	85,183	147,961	319,574	0	1,715,468	4,033,895	0

Florida												
Banks	585	17	40	166	154	100	86	14	7	1	0
Assets	42,190,749	41,281	310,021	2,922,035	5,580,150	7,032,247	13,538,349	5,427,292	4,465,723	2,873,651	0
Deposits	36,166,576	25,000	268,874	2,594,821	5,010,029	6,247,658	11,861,984	4,603,399	3,458,160	2,096,651	0
Georgia											
Banks	439	31	74	175	107	25	21	2	0	4	0
Assets	22,007,377	101,461	563,399	2,969,392	3,727,107	1,608,666	3,161,237	790,266	0	9,085,849	0
Deposits	17,681,430	90,059	499,702	2,646,840	3,299,742	1,401,327	2,715,920	643,956	0	6,383,884	0
Hawaii											
Banks	12	0	1	3	1	0	3	2	0	2	0
Assets	4,923,877	0	6,209	53,190	37,085	0	552,200	756,750	0	3,518,443	0
Deposits	4,386,548	0	4,809	23,578	33,471	0	503,010	676,076	0	3,145,604	0
Idaho											
Banks	27	2	1	10	5	3	2	1	1	2	0
Assets	4,609,205	6,306	7,021	145,575	168,805	183,106	276,780	349,110	564,808	2,907,694	0
Deposits	3,904,198	3,209	5,904	130,226	152,622	150,204	243,155	294,784	478,389	2,445,705	0
Illinois											
Banks	1,288	87	179	427	277	177	120	12	3	2	4
Assets	135,839,141	261,562	1,353,425	7,059,256	10,037,308	12,420,037	18,979,266	4,725,525	1,797,621	3,572,102	75,633,039
Deposits	103,072,156	219,669	1,202,231	6,320,759	8,876,699	10,676,424	15,164,668	3,262,911	906,925	2,676,596	53,765,274
Indiana											
Banks	406	5	33	117	116	72	49	8	3	3	0
Assets	30,510,757	9,680	255,955	2,097,839	4,132,171	5,056,815	7,626,919	3,105,432	1,853,135	6,372,811	0
Deposits	25,443,803	7,954	224,343	1,902,448	3,689,628	4,491,692	6,562,420	2,536,732	1,465,623	4,562,963	0
Iowa											
Banks	657	26	140267	155		44	20	3	2	0	0
Assets	19,699,559	78,758	1,073,507	4,358,214	5,497,143	3,071,531	2,945,042	1,274,172	1,401,192	0	0
Deposits	17,037,523	69,428	965,090	3,924,042	4,913,597	2,711,421	2,466,096	976,525	1,011,324	0	0
Kansas											
Banks	617	89	162	200	106	44	13	2	1	0	0
Assets	15,289,420	293,310	1,176,730	3,238,155	3,706,816	2,929,534	2,292,277	823,104	829,494	0	0
Deposits	13,164,468	261,920	1,063,309	2,913,637	3,313,702	2,547,741	1,750,813	668,497	644,849	0	0
Kentucky											
Banks	343	21	35	119	99	41	21	3	2	2	0
Assets	17,878,453	76,532	283,990	1,971,124	3,424,750	2,795,733	2,775,126	1,173,376	1,557,602	3,820,220	0
Deposits	15,006,109	66,752	254,016	1,766,270	3,074,974	2,487,374	2,426,587	893,812	1,211,846	2,824,478	0
Louisiana											
Banks	262	6	19	65	83	51	23	7	6	2	0
Assets	21,810,824	23,384	156,818	1,166,939	3,084,541	3,412,639	4,119,361	2,900,234	4,192,060	2,754,848	0
Deposits	18,542,796	19,391	136,890	1,041,615	2,779,072	3,045,403	3,645,928	2,437,746	3,338,990	2,097,761	0
Maine											
Banks	41	0	2	7	15	10	4	3	0	0	0
Assets	3,221,582	0	15,249	110,703	479,940	661,023	810,221	1,144,446	0	0	0
Deposits	2,748,345	0	13,087	98,215	425,087	575,579	676,268	960,109	0	0	0
Maryland											
Banks	102	2	10	27	27	18	10	1	2	5	0
Assets	15,489,968	8,880	78,500	472,434	987,458	1,246,928	1,340,339	300,053	1,189,078	9,866,298	0
Deposits	12,989,067	5,625	69,267	422,168	880,827	1,115,607	1,203,095	265,077	993,776	8,033,625	0
Massachusetts											
Banks	149	6	4	37	29	34	26	4	4	4	1
Assets	32,264,127	9,512	28,513	625,679	1,060,243	2,451,058	4,013,583	1,556,828	2,325,966	7,818,752	12,373,993
Deposits	24,372,293	5,034	25,531	543,380	919,957	2,019,380	3,250,712	1,320,540	1,956,039	5,604,436	8,727,284

Table 105. NUMBER, ASSETS, AND DEPOSITS OF ALL COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979—CONTINUED
BANKS GROUPED BY ASSET SIZE AND STATE
(Amounts in thousands of dollars)

State	All banks	Banks with assets of— Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Michigan											
Banks	372	6	24	98	104	67	53	6	5	8	1
Assets	50,219,073	19,630	192,852	1,684,806	3,701,222	4,724,083	8,976,355	2,353,788	2,950,818	16,599,997	9,015,522
Deposits	41,243,869	13,485	166,902	1,510,110	3,313,105	4,238,679	7,947,811	2,058,473	2,550,187	12,841,465	6,603,652
Minnesota											
Banks	762	62	208	283	131	54	18	3	0	3	0
Assets	28,412,590	232,737	1,550,231	4,665,008	4,598,047	3,747,297	2,746,220	1,057,458	0	9,815,592	0
Deposits	22,927,102	206,610	1,405,680	4,199,067	4,083,692	3,337,478	2,355,448	758,747	0	6,580,380	0
Mississippi											
Banks	183	4	18	67	49	29	9	5	0	2	0
Assets	10,584,792	14,272	137,577	1,113,588	1,674,962	1,932,694	1,260,790	1,753,078	0	2,697,831	0
Deposits	9,197,783	8,402	122,022	1,005,541	1,509,953	1,727,187	1,131,558	1,552,442	0	2,140,678	0
Missouri											
Banks	727	72	137	244	160	77	30	1	1	5	0
Assets	32,485,563	244,756	1,035,885	4,063,342	5,629,838	5,289,024	5,172,988	423,297	980,676	9,645,757	0
Deposits	25,841,752	212,036	925,428	3,643,083	5,016,137	4,635,646	4,210,310	371,512	678,227	6,149,373	0
Montana											
Banks	165	9	26	75	35	12	8	0	0	0	0
Assets	4,891,111	24,556	193,907	1,184,452	1,246,150	950,578	1,291,468	0	0	0	0
Deposits	4,321,141	20,017	172,970	1,066,796	1,123,078	831,794	1,106,486	0	0	0	0
Nebraska											
Banks	461	101	123	150	53	25	4	3	2	0	0
Assets	10,502,865	325,136	916,242	2,480,264	1,755,016	1,726,328	497,319	1,325,717	1,476,843	0	0
Deposits	8,961,558	286,437	823,318	2,211,244	1,542,529	1,518,454	436,676	1,066,749	1,076,151	0	0
Nevada											
Banks	9	2	0	1	0	0	2	2	1	1	0
Assets	3,631,507	6,061	0	16,919	0	0	264,587	799,978	780,622	1,763,340	0
Deposits	3,126,858	3,525	0	13,521	0	0	236,024	678,292	663,540	1,531,956	0
New Hampshire											
Banks	79	4	10	25	23	11	6	0	0	0	0
Assets	3,023,158	12,203	75,550	452,818	789,767	701,514	991,306	0	0	0	0
Deposits	2,644,843	10,466	67,042	401,413	694,190	609,527	862,205	0	0	0	0
New Jersey											
Banks	176	1	0	23	49	33	38	9	17	6	0
Assets	34,307,341	1,761	0	408,699	1,788,943	2,184,574	5,934,450	3,644,741	11,719,747	8,624,426	0
Deposits	28,968,868	1,170	0	358,300	1,579,380	1,956,026	5,202,449	3,177,982	9,966,509	6,727,052	0
New Mexico											
Banks	87	2	5	23	33	16	6	0	2	0	0
Assets	5,422,714	4,380	39,802	417,726	1,262,604	1,313,027	994,992	0	1,390,183	0	0
Deposits	4,726,819	3,645	34,485	369,357	1,140,115	1,173,633	872,790	0	1,132,794	0	0
New York											
Banks	302	57	9	50	44	35	46	12	19	21	9
Assets	435,275,761	37,110	66,228	871,573	1,608,731	2,548,178	7,550,695	4,727,992	13,580,653	48,185,728	356,098,873
Deposits	326,574,231	31,298	56,453	744,040	1,360,856	2,126,924	5,668,666	3,401,800	9,127,977	33,373,494	270,682,723

North Carolina											
Banks	83	4	6	20	21	14	5	5	3	3	2
Assets	23,525,684	12,975	45,640	328,341	773,114	1,014,418	1,022,845	1,786,086	1,639,105	5,969,400	10,933,760
Deposits	18,864,629	10,542	37,939	287,283	675,640	879,660	889,651	1,548,494	1,431,527	4,781,907	8,321,986
North Dakota											
Banks	175	10	34	87	26	10	7	0	1	0	0
Assets	4,870,638	29,730	258,029	1,418,546	930,888	712,980	881,294	0	639,171	0	0
Deposits	4,156,568	23,623	232,515	1,272,023	816,026	629,873	774,763	0	407,745	0	0
Ohio											
Banks	408	5	44	117	98	63	55	7	8	11	0
Assets	52,901,858	17,703	324,393	1,983,141	3,311,634	4,237,103	8,514,517	2,735,727	5,403,302	26,374,338	0
Deposits	41,733,118	15,790	284,603	1,769,934	2,935,843	3,685,398	7,251,894	2,258,223	4,392,043	19,139,390	0
Oklahoma											
Banks	496	48	114	148	108	53	19	1	1	4	0
Assets	19,718,871	152,078	858,010	2,387,649	3,702,313	3,529,137	2,854,720	359,151	571,764	5,304,049	0
Deposits	16,841,473	128,586	760,738	2,149,565	3,318,452	3,119,842	2,480,285	310,810	453,389	4,119,806	0
Oregon											
Banks	80	14	15	21	14	6	5	2	1	2	0
Assets	12,613,598	34,026	120,682	329,323	497,319	423,597	779,965	780,673	715,162	8,932,851	0
Deposits	10,349,108	22,182	98,363	292,526	444,083	376,474	693,690	692,657	607,489	7,121,644	0
Pennsylvania											
Banks	378	6	25	94	85	78	52	13	11	10	4
Assets	85,002,238	6,301	190,559	1,634,427	3,130,725	5,386,560	8,586,792	5,207,295	7,055,358	21,164,883	32,639,338
Deposits	67,366,673	676	161,051	1,446,088	2,796,253	4,809,760	7,638,174	4,458,650	6,084,630	16,877,185	23,094,206
Rhode Island											
Banks	17	3	0	5	2	1	3	0	0	3	0
Assets	6,378,046	1,492	0	76,561	63,648	56,390	486,552	0	0	5,693,403	0
Deposits	5,037,058	1,157	0	65,076	55,091	50,374	410,368	0	0	4,454,992	0
South Carolina											
Banks	85	8	9	35	15	10	3	1	3	1	0
Assets	6,965,302	33,454	65,719	578,440	534,557	729,451	562,634	411,009	2,603,353	1,446,685	0
Deposits	5,810,143	27,922	57,207	505,638	463,416	634,648	503,193	367,885	2,112,664	1,137,570	0
South Dakota											
Banks	155	21	39	59	17	12	5	1	1	0	0
Assets	4,675,392	85,640	303,598	885,273	550,425	835,530	1,018,304	446,558	550,064	0	0
Deposits	4,183,820	74,966	273,612	799,464	493,354	752,657	897,848	396,294	495,625	0	0
Tennessee											
Banks	352	15	45	117	92	52	21	2	3	5	0
Assets	22,056,575	48,968	347,387	1,953,761	3,188,200	3,637,745	3,114,180	912,030	1,944,667	6,909,637	0
Deposits	18,644,763	43,249	310,115	1,766,364	2,854,944	3,243,474	2,732,498	734,202	1,579,583	5,380,334	0
Texas											
Banks	1,427	86	203	440	375	193	90	19	10	7	4
Assets	102,839,924	292,960	1,577,345	7,418,671	13,255,753	13,550,526	14,342,424	7,284,414	6,718,734	10,781,271	27,617,826
Deposits	85,270,211	248,461	1,398,045	6,647,666	11,915,341	12,180,078	12,633,115	6,080,362	5,349,718	7,959,868	20,857,557
Utah											
Banks	76	15	17	24	9	3	3	2	1	2	0
Assets	6,333,578	36,192	121,259	387,580	330,464	214,001	611,146	812,787	747,878	3,072,271	0
Deposits	5,413,485	26,611	104,180	344,613	297,470	190,390	516,989	706,085	651,761	2,575,386	0
Vermont											
Banks	30	2	3	4	12	2	5	2	0	0	0
Assets	2,212,585	3,363	20,036	79,457	404,320	126,789	896,933	681,687	0	0	0
Deposits	1,988,728	2,830	17,725	70,783	367,148	114,271	805,565	610,406	0	0	0

Table 105. NUMBER, ASSETS, AND DEPOSITS OF ALL COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979—CONTINUED
BANKS GROUPED BY ASSET SIZE AND STATE
(Amounts in thousands of dollars)

State	All banks	Banks with assets of—									
		Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Virginia											
Banks	234	13	22	78	63	33	15	2	3	5	0
Assets	22,360,616	51,445	168,316	1,249,576	2,232,348	2,137,678	2,702,872	820,028	2,117,520	10,880,833	0
Deposits	18,887,613	38,417	146,762	1,114,111	2,004,245	1,910,090	2,344,586	688,938	1,809,550	8,830,914	0
Washington											
Banks	110	13	16	36	21	10	6	1	2	4	1
Assets	22,146,002	26,063	115,584	598,528	801,477	721,704	1,287,771	318,345	1,223,228	8,689,069	8,364,233
Deposits	17,639,863	17,765	91,802	529,795	715,327	572,482	758,415	272,158	1,057,248	6,984,995	6,639,876
West Virginia											
Banks	235	10	27	79	69	30	19	1	0	0	0
Assets	9,484,209	35,265	219,974	1,383,771	2,398,809	2,054,022	2,932,513	459,855	0	0	0
Deposits	8,028,595	28,444	191,764	1,227,854	2,129,996	1,787,725	2,349,083	313,729	0	0	0
Wisconsin											
Banks	636	35	99	229	176	63	29	1	2	2	0
Assets	25,829,755	113,356	752,944	3,868,735	6,064,281	4,245,595	4,396,199	369,291	1,382,849	4,636,505	0
Deposits	21,318,977	95,380	678,287	3,485,969	5,364,355	3,686,069	3,658,241	288,983	1,018,871	3,042,822	0
Wyoming											
Banks	94	14	12	26	24	15	3	0	0	0	0
Assets	3,082,501	50,103	89,741	443,941	844,945	1,009,100	644,671	0	0	0	0
Deposits	2,734,732	40,257	79,483	398,164	758,176	895,378	563,274	0	0	0	0
Other areas											
Guam											
Banks	3	1	0	1	0	1	0	0	0	0	0
Assets	74,500	1,503	0	10,508	0	62,489	0	0	0	0	0
Deposits	59,954	190	0	6,974	0	52,790	0	0	0	0	0
Puerto Rico											
Banks	20	5	0	5	0	0	3	4	0	3	0
Assets	7,215,219	0	0	97,270	0	0	584,734	1,791,636	0	4,741,579	0
Deposits	5,027,647	0	0	79,053	0	0	489,909	1,560,583	0	2,898,102	0
Virgin Islands											
Banks	6	5	0	0	0	0	1	0	0	0	0
Assets	209,482	0	0	0	0	0	209,482	0	0	0	0
Deposits	204,760	0	0	0	0	0	204,760	0	0	0	0

[1] Includes 91 nondeposit trust companies: 5 in Arizona, 2 in Arkansas, 15 in California, 2 in Delaware, 7 in Florida, 3 in Hawaii, 6 in Illinois, 1 in Indiana, 1 in Iowa, 1 in Massachusetts, 2 in Minnesota, 1 in Mississippi, 6 in Missouri, 3 in Montana, 7 in Nebraska 1 in New Hampshire, 1 in New Mexico, 6 in New York, 2 in North Dakota, 2 in Oklahoma, 1 in Oregon, 2 in Pennsylvania, 1 in Rhode Island, 1 in South Dakota, 1 in Tennessee, 2 in Utah, 1 in Vermont, 1 in Virginia, 1 in Washington, 5 in Wisconsin and 1 in Puerto Rico.

[2] Excludes data for branches in U.S. territories of banks headquartered in the United States, and excludes data for 19 insured branches in New York of 3 insured nonmember banks in Puerto Rico and 1 insured branch in California of an insured nonmember bank in Puerto Rico.

[3] Data are from fully consolidated Reports of Condition including domestic and foreign offices.

Commercial banks

Insured banks having total resources of $25 million or more are required to report on the basis of accrual accounting. Where the results would not be significantly different, at the option of the bank, trust department accounts and certain other accounts may be reported on a cash basis. All banks, regardless of size or accounting system, are required to report unearned income on loans in the Report of Condition, Schedule A (loans). All banks, regardless of size or accounting system, are required to report income taxes on a current basis. The income taxes must be computed on the amount of income and expense included in the Report of Income.

Each insured bank having foreign offices is required to submit a consolidated report including these offices; however, except for table 110 tables on pages 161-185 contain only the domestic assets and liabilities of banks. Beginning in 1969, all majority-owned bank premises subsidiaries are fully consolidated; other majority-owned domestic subsidiaries (but not commercial bank subsidiaries) are consolidated if they meet any of the following criteria: (a) any subsidiary in which the parent bank's investment represents 5 percent or more of its equity capital accounts, (b) any subsidiary whose gross operating revenues amount to 5 percent of the parent bank's gross operating revenues, or (c) (beginning in December 1972) any subsidiary whose "Income (loss) before income taxes and securities gains or losses" amounts to 5 percent or more of the "income (loss) before income taxes and securities gains or losses" of the parent bank. Beginning in 1972, investments in subsidiaries not consolidated in which the bank directly or indirectly exercises effective control are reported on an equity (rather than cost) basis with the investment and undivided profits adjusted to include the parent's share of the subsidiaries' net worth.

In the case of insured banks with branches outside the 50 States and D.C., net amounts due from such branches are included in "Other assets" and net amounts due to such branches are included in "Other liabilities." Branches of insured banks outside the 50 States and D. C. 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.

From 1969 through 1975, all reserves on loans and securities, including the reserves for bad debts set up pursuant to Internal Revenue Service rulings, were included in "Reserves on loans and securities" on the liability side of the balance sheet. Beginning in 1976, the IRS reserve is divided as follows: (a) the "valuation" portion of the reserve (plus any other loan loss reserve) is shown on the asset side of the face of the report as an offset to total loans; (b) the "deferred income tax" portion is included in "other liabilities"; and (c) the "contingency" portion is included in "undivided profits," or "reserves for contingencies and other capital reserves" (preferably the former). The valuation reserve on securities, formerly shown on the liabilities side, is included in "reserve for contingencies and other capital reserves" beginning in 1976.

"Unearned income on loans," previously reported in "other liabilities," is reported separately as an exclusion from gross loans and total assets beginning March 31, 1976.

Beginning March 31, 1979, "deposits accumulated for the payment of personal loans" was eliminated from deposits. Such "deposits" are required to be deducted from the appropriate loan category before completion of Report of Condition Schedule A (loans).

The category "Trading account securities" was added to the condition report of commercial banks in 1969 to obtain this segregation for banks that regularly deal in securities with other banks or with the public. Banks occasionally holding securities purchased for possible resale report these under "Investment securities."

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.

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.)

In 1976, the caption "Capital notes and debentures" was changed to "subordinated notes and debentures," to be shown in the liabilities section of the Report of Condition. Accordingly, "capital accounts" became the "equity capital" section.

In 1978 an abbreviated Report of Condition was instituted for banks with less than $100 million in total consolidated assets. Beginning with December 1978, other liabilities for borrowed money include interest-bearing demand notes issued to the U.S. Treasury.

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.

Additional data on assets and liabilities of all banks as of December 31, 1977, and June 30, 1978, are shown in the Corporation's semiannual publication *Assets and Liabilities—Commercial and Mutual Savings Banks.*

Mutual savings banks

The Reports of Income and Condition were significantly revised in 1979. The intent of the revisions was to provide more meaningful information concerning the operations and condition of the mutual institutions as well as to bring reporting by such institutions into closer conformance to accounting principles.

Report of Income

In addition to obtaining more detail concerning operating income and expenses, the reporting format and instructions were changed to reflect interest and dividends paid or accrued as an operating expense. Gains and losses on mortgage loans, real estate and other transactions are included in other operating income or other operating expenses rather than being separately stated. Income taxes are reflected separately on operating income, securities transactions and extraordinary items. The reporting of the provision for possible loan losses requires an expense based on management discretion rather than an expense reflecting net loan losses.

Report of Condition

Significant changes to this form include the separate reporting and deduction of a valuation reserve against real estate loans and other loans. Deposit categories were changed to reflect industry practice. A Memoranda schedule and a Supplemental Schedule H were added to provide information concerning the market value of bond and equity investments, selected asset and liability average figures, and past due and non-accrual real estate loans. Maturity distributions of security investments, time deposits and borrowed funds were incorporated into the report.

Foreign assets of banks

Since June 30, 1974, a consolidated statement of domestic and foreign assets and liabilities of U.S. banks has been published semiannually by the Corporation in *Assets and Liabilities—Commercial and Mutual Savings Banks.* (Beginning with June 30, 1977, foreign office assets and liabilities itemized by State are published in *Assets and Liabilities—Commercial and Mutual Savings Banks.*) In December 1978, a revised fully consolidated domestic and foreign Report of Condition was instituted.

Sources of data

Insured banks: see p. 187; noninsured banks: State banking authorities and and reports from individual banks.

NOTE: Tables with Report of Condition financial data may not balance as a result of certain noninsured banks submitting balance sheet data but not submitting supporting detail in some of the schedules. Some noninsured banks that did not submit financial data are included in the counts of banks.

Table 106. ASSETS AND LIABILITIES OF ALL COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), JUNE 30, 1979
BANKS GROUPED BY INSURANCE STATUS AND CLASS OF BANK
(Amounts in thousands of dollars)

Asset, liability or expense item	Total	Insured banks					Noninsured banks		
		Total	Members of Federal Reserve System			Not members of F.R. System	Total	Banks of deposit[1]	Nondeposit trust companies[2]
			Total	National	State				
Total assets	**1,354,574,564**	**1,317,902,585**	**990,213,226**	**749,419,372**	**240,793,854**	**327,689,359**	**36,671,979**	**36,259,656**	**412,323**
Cash and due from depository institutions—total	**183,322,714**	**178,342,062**	**150,918,291**	**98,524,153**	**52,394,138**	**27,423,771**	**4,980,652**	**4,930,171**	**50,481**
Cash items in process of collection	78,167,214	78,033,191	74,931,193	46,646,889	28,284,304	3,101,998	134,023	133,985	38
Demand balances with commercial banks in the United States	47,938,062	45,717,049	29,013,164	15,657,695	13,355,469	16,703,885	2,221,013	2,201,935	19,078
All other balances with depository institutions in the U.S. and with banks in foreign countries	11,376,502	8,807,224	4,759,170	3,369,486	1,389,684	4,048,054	2,569,278	2,552,843	16,435
Balances with Federal Reserve Banks	32,458,272	32,457,945	32,457,260	25,231,747	7,225,513	685	327	38	289
Currency and coin	13,335,390	13,326,653	9,757,504	7,618,336	2,139,168	3,569,149	8,737	8,651	86
Securities—total	**276,228,754**	**274,263,581**	**187,544,167**	**145,066,636**	**42,477,531**	**86,719,414**	**1,965,173**	**1,872,576**	**92,597**
U.S. Treasury securities	87,108,936	86,604,814	57,245,202	43,268,493	13,976,709	29,359,612	504,172	463,485	40,687
Obligations of other U.S. Government agencies and corporations	44,730,102	44,567,851	27,934,734	22,789,840	5,144,894	16,633,117	162,251	154,265	7,986
Obligations of States and political subdivisions in the U.S.	127,032,567	126,365,347	88,089,857	68,642,733	19,447,124	38,275,490	667,220	643,217	24,003
All other securities	17,357,099	16,725,569	14,274,374	10,365,570	3,908,804	2,451,195	631,530	611,609	19,921
Federal funds sold and securities purchased under agreements to resell	**54,969,826**	**52,416,544**	**40,368,859**	**33,513,336**	**6,855,523**	**12,047,685**	**2,553,282**	**2,436,839**	**116,443**
Loans, net	**742,809,909**	**720,884,326**	**532,571,034**	**414,361,997**	**118,209,037**	**188,313,292**	**21,925,583**	**21,896,884**	**28,699**
Plus: Allowances for possible loan losses	8,567,003	8,447,992	6,647,838	4,996,242	1,651,596	1,800,154	119,011	118,533	478
Loans, total	751,376,912	729,332,318	539,218,872	419,358,239	119,860,633	190,113,446	22,044,594	22,015,417	29,177
Plus: Unearned income on loans	19,470,307	19,430,281	12,933,611	10,708,031	2,225,580	6,496,670	40,026	39,706	320
Loans, gross	**770,734,252**	**748,762,601**	**552,152,485**	**430,066,272**	**122,086,213**	**196,610,116**	**21,971,651**	**21,942,394**	**29,257**
Real estate loans—total	228,813,552	228,401,583	155,772,197	126,814,505	28,957,692	72,629,386	411,969	407,012	4,957
Construction and land development	*29,568,294*	*29,496,093*	*21,965,719*	*17,351,695*	*4,614,024*	*7,530,374*	*72,201*	*71,648*	*553*
Secured by farmland	*8,669,974*	*8,648,228*	*3,719,907*	*3,100,617*	*619,290*	*4,928,321*	*21,746*	*21,555*	*191*
Secured by 1-4 family residential properties	*127,477,999*	*127,278,238*	*88,038,168*	*72,778,217*	*15,259,951*	*39,240,070*	*199,761*	*196,810*	*2,951*
Secured by multifamily (5 or more) residential properties	*6,086,500*	*6,076,386*	*4,421,681*	*3,335,351*	*1,086,330*	*1,654,705*	*10,114*	*9,781*	*333*
Secured by nonfarm nonresidential properties	*57,010,785*	*56,902,638*	*37,626,722*	*30,248,625*	*7,378,097*	*19,275,916*	*108,147*	*107,218*	*929*
Loans to financial institutions	48,169,705	38,695,569	36,549,021	24,503,901	12,045,120	2,146,548	9,474,136	9,469,945	4,191
Loans for purchasing or carrying securities	14,728,202	14,574,731	13,507,367	8,264,468	5,242,899	1,067,364	153,471	153,471	0
Loans to finance agricultural production and other loans to farmers	29,839,361	29,786,725	16,067,473	13,987,683	2,079,790	13,719,252	52,636	52,636	0
Commercial and industrial loans	249,797,543	240,944,514	193,437,260	145,770,553	47,666,707	47,507,254	8,853,029	8,850,239	2,790
Loans to individuals—total	178,814,820	178,613,864	121,967,238	99,653,461	22,313,777	56,646,626	200,956	199,673	1,283
To purchase private passenger automobiles on installment basis	*66,058,706*	*66,008,730*	*42,116,339*	*34,890,193*	*7,226,146*	*23,892,391*	*49,976*	*49,336*	*640*
Credit cards and related plans	*25,970,872*	*25,955,620*	*22,903,023*	*18,703,553*	*4,199,470*	*3,052,597*	*15,252*	*15,250*	*2*
To purchase mobile homes (excluding travel trailers)	*10,384,697*	*10,383,864*	*7,153,129*	*6,384,489*	*768,640*	*3,230,735*	*833*	*833*	*0*
All other instalment loans for household, family and other personal expenditures	*44,806,263*	*44,743,760*	*28,840,555*	*23,097,616*	*5,742,939*	*15,903,205*	*62,503*	*61,862*	*641*
Single payment loans for household, family and other personal expenditures	*31,594,282*	*31,521,890*	*20,954,192*	*16,577,610*	*4,376,582*	*10,567,698*	*72,392*	*72,392*	*0*
All other loans	20,231,497	17,745,615	14,851,929	11,071,701	3,780,228	2,893,686	2,485,882	2,478,477	7,405
Total loans and securites	**1,074,008,489**	**1,047,564,451**	**760,484,060**	**592,941,969**	**167,542,091**	**287,080,391**	**26,444,038**	**26,206,299**	**237,739**

Table 106. ASSETS AND LIABILITIES OF ALL COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), JUNE 30, 1979—CONTINUED
BANKS GROUPED BY INSURANCE STATUS AND CLASS OF BANK
(Amounts in thousands of dollars)

Asset, liability or expense item	Total	Insured banks						Noninsured banks		
		Total	Members of Federal Reserve System			Not members of F.R. System		Total	Banks of deposit[1]	Nondeposit trust companies[2]
			Total	National	State					
Lease financing receivables	8,597,143	8,596,893	7,858,602	6,040,889	1,817,713	738,291		250	250	0
Bank premises, furniture and fixtures, and other assets representing bank premises	21,455,282	21,393,919	15,280,543	12,414,219	2,866,324	6,113,376		61,363	47,545	13,818
Real estate owned other than bank premises	2,306,837	2,283,382	1,799,273	1,391,823	407,450	484,109		23,455	23,223	232
All other assets	64,670,952	59,721,878	53,872,457	38,106,319	15,766,138	5,849,421		4,949,074	4,839,021	110,053
Total liabilities and equity capital	**1,354,574,564**	**1,317,902,585**	**990,213,226**	**749,419,372**	**240,793,854**	**327,689,359**		**36,671,979**	**36,259,656**	**412,323**
Business and personal deposits—total	**869,626,087**	**857,946,222**	**604,566,654**	**475,436,709**	**129,129,945**	**253,379,568**		**11,679,865**	**11,618,385**	**61,480**
Individuals, partnerships and corporations—demand	295,322,501	294,311,005	214,228,239	165,228,089	49,000,150	80,082,766		1,011,496	961,731	49,765
Individuals, partnerships, and corporations—savings	*216,311,370*	*215,798,870*	*145,905,613*	*116,908,123*	*28,997,490*	*69,893,257*		*512,500*	*511,398*	*1,102*
Individuals and nonprofit organizations—savings	*205,860,310*	*205,360,187*	*138,940,203*	*111,430,237*	*27,509,966*	*66,419,984*		*500,123*	*499,740*	*383*
Corporations and other profit organizations—savings	10,451,060	10,438,683	6,965,410	5,477,886	1,487,524	3,473,273		12,377	11,658	719
Individuals, partnerships, and corporations—time	339,916,329	331,860,353	232,173,972	186,238,039	45,935,933	99,686,381		8,055,976	8,048,315	7,661
Certified and officers' checks, travelers' checks, letters of credit—demand	18,075,887	15,975,994	12,258,830	7,062,458	5,196,372	3,717,164		2,099,893	2,096,941	2,952
Government deposits—total	**86,427,793**	**85,998,126**	**56,123,768**	**45,911,016**	**10,212,752**	**29,874,358**		**429,667**	**429,340**	**327**
United States Government—demand	2,076,359	2,074,141	1,361,429	1,122,269	239,160	712,712		2,218	2,213	5
United States Government—savings	85,602	85,602	63,585	61,394	2,191	22,017		0	0	0
United States Government—time	901,259	900,822	658,101	453,195	204,906	242,721		437	437	0
States and political subdivisions—demand	18,013,990	17,920,963	11,741,020	9,560,549	2,180,471	6,179,943		93,027	93,027	0
States and political subdivisions—savings	4,196,071	4,188,894	2,594,850	1,878,157	716,693	1,594,044		7,177	7,177	0
States and political subdivisions—time	61,154,512	60,827,704	39,704,783	32,835,452	6,869,331	21,122,921		326,808	326,486	322
All other deposits—total	**71,056,398**	**67,581,501**	**64,499,643**	**32,566,726**	**31,932,917**	**3,081,858**		**3,474,897**	**3,472,393**	**2,504**
Demand	55,386,353	54,022,237	52,377,060	24,428,442	27,948,618	1,645,177		1,364,116	1,361,612	2,504
Savings	57,343	57,343	39,377	26,007	13,370	17,966		0	0	0
Time	15,612,702	13,501,921	12,083,206	8,112,277	3,970,929	1,418,715		2,110,781	2,110,781	0
Total deposits	**1,027,393,382**	**1,011,525,849**	**725,190,065**	**553,914,451**	**171,275,614**	**286,335,784**		**15,867,533**	**15,790,774**	**76,759**
Demand	*388,840,087*	*384,304,340*	*291,966,578*	*207,401,807*	*84,564,771*	*92,337,762*		*4,535,747*	*4,505,303*	*30,444*
Savings	*220,689,426*	*220,130,709*	*148,603,425*	*118,873,681*	*29,729,744*	*71,527,284*		*558,717*	*557,615*	*1,102*
Time	*417,828,454*	*407,090,800*	*284,620,062*	*227,638,963*	*56,981,099*	*122,470,738*		*10,737,654*	*10,717,223*	*20,431*
Miscellaneous liabilities—total	**228,055,173**	**207,964,097**	**192,972,142**	**140,426,429**	**52,545,713**	**14,991,955**		**20,091,076**	**19,842,345**	**248,731**
Federal funds purchased and securities sold under agreements to purchase	115,213,261	112,706,308	105,061,803	79,501,616	25,560,187	7,644,505		2,506,953	2,500,495	6,458
Interest bearing demand notes issued to the U.S. Treasury and other liabilities for borrowed money	35,426,244	30,836,161	28,558,992	18,879,837	9,679,155	2,277,169		4,590,083	4,586,630	3,453
Mortgage indebtedness and liability for capitalized leases	2,071,948	2,065,635	1,644,597	1,261,356	383,241	421,038		6,313	618	5,695
All other liabilities	75,343,720	62,355,993	57,706,750	40,783,620	16,923,130	4,649,243		12,987,727	12,754,602	233,125

Total liabilities (excluding subordinated notes and debentures)	**1,255,661,701**	**1,219,489,945**	**918,162,206**	**694,340,879**	**223,821,327**	**301,327,739**	**36,171,756**	**35,846,266**	**325,490**
Subordinated notes and debentures	**5,946,552**	**5,931,552**	**4,430,987**	**3,205,706**	**1,225,281**	**1,500,565**	**15,000**	**13,736**	**1,264**
Equity capital—total	**93,013,501**	**92,524,926**	**67,663,870**	**51,872,786**	**15,791,084**	**24,861,056**	**488,575**	**403,006**	**85,569**
Preferred stock—par value	147,721	136,463	33,305	29,761	3,544	103,158	11,258	11,258	0
Preferred stock—shares outstainding (in thousands)	5,793	5,793	1,175	693	482	4,618	0	0	0
Common stock—par value	19,896,197	19,725,881	14,196,396	11,148,729	3,047,667	5,529,485	170,316	142,865	27,451
Common stock—shares outstanding (in thousands)	2,298,870	2,295,891	1,332,806	1,087,567	245,239	963,085	2,979	1,648	1,331
Surplus	34,321,867	34,143,792	23,761,150	17,407,311	6,353,839	10,382,642	178,075	147,987	30,088
Undivided profits and reserve for contingencies and other capital reserves	38,654,870	38,518,790	29,673,019	23,286,985	6,386,034	8,845,771	136,080	108,050	28,030
PERCENTAGES									
Of total assets:									
Cash and due from depository institutions	13.53	13.53	15.24	13.15	21.76	8.37	13.58	13.60	12.24
U.S. Treasury securities and obligations of other U.S. Government agencies and corporations	9.73	9.95	8.60	8.81	7.94	14.04	1.82	1.70	11.80
All other securities	10.66	10.86	10.34	10.54	9.70	12.43	3.54	3.46	10.65
Loans (including federal funds sold and securities purchased under agreements to resell)	59.53	59.32	58.53	60.43	52.62	61.69	67.08	67.44	35.32
All other assets	6.55	6.34	7.29	7.07	7.98	3.47	13.98	13.80	29.98
Total equity capital[3]	6.87	7.02	6.83	6.92	6.56	7.59	1.33	1.11	20.75
Of total assets other than cash and U.S. Treasury securities:									
Total equity capital[3]	8.58[4]	8.79	8.65	8.54	9.05	9.18	1.57[4]	1.31[4]	26.64
MEMORANDA									
Standby letters of credit—total	23,562,757	22,408,468	21,037,509	14,584,616	6,452,893	1,370,959	1,154,289	1,154,289	0
Time certificates of deposits in denominations of $100,000 or more	174,664,718	168,584,502	129,851,854	99,971,735	29,880,119	38,732,648	6,080,216	6,080,216	0
Other time deposits in amounts of $100,000 or more	28,477,769	26,826,517	22,950,981	18,940,367	4,010,614	3,875,536	1,651,242	1,651,242	0
Number of banks at end of period	14,730	14,367	5,481	4,493	988	8,886	363	275	88

[1] Includes asset and liability domestic figures for branches of foreign banks (tabulated as banks) licensed to do a deposit business. Capital is not allocated to these branches by the parent banks.
[2] Amounts shown as deposits are special accounts and univested trust funds, with the latter classified as demand deposits of individuals, partnerships, and corporations.
[3] Only asset and liability data are included for branches located in "other areas" of banks headquartered in one of the 50 States; because no capital is allocated to these branches, they are excluded from the computation of ratios of equity capital to assets.
[4] Data for domestic branches of foreign banks referred to in footnote 1 have been excluded in computing this ratio for noninsured banks of deposit.
Note: Further information on the reports of assets and liabilities of banks may be found on pp. 159-160.

Table 107. ASSETS AND LIABILITIES OF ALL COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979

BANKS GROUPED BY INSURANCE STATUS AND CLASS OF BANK

(Amounts in thousands of dollars)

Asset, liability or expense item	Total	Insured banks					Noninsured banks		
		Total	Members of Federal Reserve System			Not members of F.R. System	Total	Banks of deposit	Nondeposit trust companies
			Total	National	State				
Total assets	**1,437,748,680**	**1,405,665,994**	**1,053,279,038**	**796,797,598**	**256,481,440**	**352,386,956**	**32,082,686**	**30,821,378**	**1,261,308**
Cash and due from depository institutions—total	**198,925,337**	**192,420,607**	**159,689,869**	**107,149,430**	**52,540,439**	**32,730,738**	**6,504,730**	**6,355,182**	**149,548**
Cash items in process of collection	82,248,567	81,933,644	78,554,350	50,604,262	27,950,088	3,379,294	314,923	314,921	2
Demand balances with commercial banks in the United States	49,282,631	47,940,502	29,218,273	17,209,571	12,008,702	18,722,229	1,342,129	1,320,376	21,753
All other balances with depository institutions in the U.S. and with banks in foreign countries	16,397,916	11,703,690	5,917,033	4,523,658	1,393,375	5,786,657	4,694,226	4,681,826	12,400
Balances with federal reserve banks	32,240,516	32,240,418	32,233,868	24,076,174	8,157,694	6,550	98	0	98
Currency and coin	18,613,289	18,602,353	13,766,345	10,735,765	3,030,580	4,836,008	10,936	10,889	47
Securities—total	**287,830,798**	**285,484,061**	**194,039,972**	**149,344,375**	**44,695,597**	**91,444,089**	**2,346,737**	**2,067,152**	**279,585**
U.S. treasury securities	88,771,955	88,221,453	58,062,224	44,125,843	13,936,381	30,159,229	550,502	500,528	49,974
Obligations of other U.S. government agencies and corporations	49,536,126	49,313,676	31,048,036	24,702,117	6,345,919	18,265,640	222,450	217,035	5,415
Obligations of states and political subdivisions in the U.S.	133,344,421	132,568,154	91,987,835	71,030,870	20,956,965	40,580,319	776,267	634,692	141,575
All other securites	16,178,296	15,380,778	12,941,877	9,485,545	3,456,332	2,438,901	797,518	714,897	82,621
Federal funds sold and securities purchased under agreements to resell	**63,528,912**	**61,065,864**	**45,304,643**	**36,263,627**	**9,041,016**	**15,761,221**	**2,463,048**	**2,258,550**	**204,498**
Loans, net	**784,577,966**	**766,830,747**	**568,711,373**	**440,644,422**	**128,066,951**	**198,119,374**	**17,747,219**	**17,708,262**	**38,957**
Plus: Allowances for possible loan losses	9,058,528	8,958,983	7,033,207	5,295,670	1,737,537	1,925,776	99,545	99,473	72
Loans, total	793,636,494	775,789,730	575,744,580	445,940,092	129,804,488	200,045,150	17,846,764	17,807,735	39,029
Plus: unearned income on loans	20,564,660	20,532,380	13,727,366	11,320,141	2,407,225	6,805,014	32,280	32,280	0
Loans, gross	**813,832,215**	**796,322,110**	**589,471,946**	**457,260,233**	**132,211,713**	**206,850,164**	**17,510,105**	**17,495,458**	**14,647**
Real estate loans—total	245,193,944	244,796,237	167,513,417	136,799,573	30,713,844	77,282,820	397,707	394,918	2,789
Construction and land development	*32,974,100*	*32,929,259*	*24,956,154*	*19,729,426*	*5,226,728*	*7,973,105*	*44,841*	*44,474*	*367*
Secured by farmland	*8,588,802*	*8,562,893*	*3,675,244*	*3,067,639*	*607,605*	*4,887,649*	*25,909*	*25,855*	*54*
Secured by 1-4 family residential properties	*137,566,006*	*137,346,068*	*95,266,411*	*79,159,695*	*16,106,716*	*42,079,657*	*219,938*	*217,982*	*1956*
Secured by multifamily (5 or more) residential properties	*6,326,898*	*6,305,464*	*4,542,364*	*3,422,988*	*1,119,376*	*1,763,100*	*21,434*	*21,107*	*327*
Secured by nonfarm nonresidential properties	*59,738,138*	*59,652,553*	*39,073,244*	*31,419,825*	*7,653,419*	*20,579,309*	*85,585*	*85,500*	*85*

Loans to financial institutions	48,955,987	41,919,383	39,751,940	25,844,744	13,907,196	2,167,443	7,036,604	7,032,601	4,003
Loans for purchasing or carrying securities	13,596,448	13,501,352	12,393,758	7,065,325	5,328,433	1,107,594	95,096	95,096	0
Loans to finance agricultural production and other loans to farmers	31,083,846	31,036,748	16,794,277	14,700,658	2,093,619	14,242,471	47,098	47,098	0
Commercial and industrial loans	265,797,624	257,678,468	207,851,734	156,073,838	51,777,896	49,826,734	8,119,156	8,119,156	0
Loans to individuals—total	187,923,537	187,789,998	128,771,259	105,132,243	23,639,016	59,018,739	133,539	133,539	0
To purchase private passenger automobiles on installment basis	*67,841,181*	*67,804,978*	*43,273,145*	*35,634,268*	*7,638,877*	*24,531,833*	*36,203*	*36,203*	*0*
Credit cards and related plans	*29,975,383*	*29,958,653*	*26,484,297*	*21,552,565*	*4,931,732*	*3,474,356*	*16,730*	*16,730*	*0*
To purchase mobile homes (excluding travel trailers)	*10,659,121*	*10,658,711*	*7,422,945*	*6,651,668*	*771,277*	*3,235,766*	*410*	*410*	*0*
All other installment loans for household, family and other personal expenditures	*47,190,823*	*47,139,893*	*30,348,293*	*24,466,106*	*5,882,187*	*16,791,600*	*50,930*	*50,930*	*0*
Single payment loans for household, family and other personal expenditures	*32,257,029*	*32,227,763*	*21,242,579*	*16,827,636*	*4,414,943*	*10,985,184*	*29,266*	*29,266*	*0*
All other loans	21,280,483	19,599,924	16,395,561	11,643,852	4,751,709	3,204,363	1,680,559	1,673,050	7,509
Total loans and securities	**1,135,937,676**	**1,113,380,672**	**808,055,988**	**626,252,424**	**181,803,564**	**305,324,684**	**22,557,004**	**22,033,964**	**523,040**
Lease financing receivables	9,954,998	9,951,916	9,087,604	6,789,640	2,297,964	864,312	3,082	3,038	44
Bank premises, furniture and fixtures, and other assets representing bank premises	22,680,790	22,605,926	15,976,950	12,952,433	3,024,517	6,628,976	74,864	49,463	25,401
Real estate owned other than bank premises	2,126,919	2,085,954	1,599,000	1,269,263	329,737	486,954	40,965	15,359	25,606
All other assets	67,870,566	65,220,919	58,869,627	42,384,408	16,485,219	6,351,292	2,649,647	2,111,978	537,669
Total liabilities and equity capital	**1,437,748,680**	**1,405,665,994**	**1,053,279,038**	**796,797,598**	**256,481,440**	**352,386,956**	**32,082,686**	**30,821,378**	**1,261,308**
Business and personal deposits—total	**940,826,398**	**933,830,811**	**659,295,640**	**515,634,774**	**143,660,866**	**274,535,171**	**6,995,587**	**6,970,425**	**25,162**
Individuals, partnerships and corporations—demand	334,976,081	334,126,108	246,076,913	187,736,093	58,340,820	88,049,195	849,973	827,294	22,679
Individuals, partnerships, and corporations—savings	203,411,779	203,132,354	136,824,080	109,406,809	27,417,271	66,308,274	279,425	279,425	0
Individuals and nonprofit organizations—savings	*193,594,207*	*193,337,392*	*130,405,449*	*104,321,055*	*26,084,394*	*62,931,943*	*256,815*	*256,815*	*0*
Corporations and other profit organizations—savings	*9,817,572*	*9,794,962*	*6,418,631*	*5,085,754*	*1,332,877*	*3,376,331*	*22,610*	*22,610*	*0*
Individual, partnerships, and corporations—time	385,555,003	385,555,003	380,623,591	264,309,218	210,986,835	53,322,383	116,314,373	4,931,412	4,931,412
Certified and officers' checks, travelers' checks, letters of credit—demand	16,883,535	15,948,758	12,085,429	7,505,037	4,580,392	3,863,329	934,777	932,294	2,483
Government deposits—total	**87,229,187**	**86,768,339**	**55,967,139**	**45,668,860**	**10,298,279**	**30,801,200**	**460,848**	**460,845**	**3**
United States government—demand	2,409,529	2,406,844	1,659,485	1,354,497	304,988	747,359	2,685	2,682	3
United States government—savings	72,882	72,882	54,338	49,631	4,707	18,544	0	0	0
United States government—time	949,616	949,192	724,523	501,176	223,347	224,669	424	424	0
States and political subdivisions—demand	19,047,809	18,932,709	12,440,121	10,092,060	2,348,061	6,492,588	115,100	115,100	0
States and political subdivisions—savings	3,802,922	3,794,443	2,250,283	1,727,263	523,020	1,544,160	8,479	8,479	0
States and political subdivisions—time	60,946,429	60,612,269	38,838,389	31,944,233	6,894,156	21,773,880	334,160	334,160	0
All other deposits—total	**80,369,388**	**74,006,025**	**70,574,513**	**37,556,742**	**33,017,771**	**3,431,512**	**6,363,363**	**6,360,957**	**2,406**
Demand	61,671,568	60,138,935	58,202,713	28,965,545	29,237,168	1,936,222	1,532,633	1,530,227	2,406
Savings	51,439	50,347	38,122	25,231	12,891	12,225	1,092	1,092	0
Time	18,646,381	13,816,743	12,333,678	8,565,966	3,767,712	1,483,065	4,829,638	4,829,638	0

Table 107. ASSETS AND LIABILITIES OF ALL COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979—CONTINUED
BANKS GROUPED BY INSURANCE STATUS AND CLASS OF BANK
(Amounts in thousands of dollars)

Asset, liability or expense item	Total	Insured banks					Noninsured banks		
		Total	Members of Federal Reserve System			Not members of F.R. System	Total	Banks of deposit[1]	Nondeposit trust companies[2]
			Total	National	State				
Total deposits	**1,108,689,961**	**1,094,605,175**	**785,837,292**	**598,860,376**	**186,976,916**	**308,767,883**	**14,084,786**	**14,044,427**	**40,359**
Demand	*434,988,071*	*431,553,354*	*330,464,661*	*235,653,232*	*94,811,429*	*101,088,693*	*3,434,717*	*3,407,203*	*27,514*
Savings	*207,339,022*	*207,050,026*	*139,166,823*	*111,208,934*	*27,957,889*	*67,883,203*	*288,996*	*288,996*	*0*
Time	*466,362,537*	*456,001,795*	*316,205,808*	*251,998,210*	*64,207,598*	*139,795,987*	*10,360,742*	*10,347,898*	*12,844*
Miscellaneous liabilities—total	**225,005,467**	**207,863,851**	**192,201,521**	**140,606,762**	**51,594,759**	**15,662,330**	**17,141,616**	**16,173,557**	**968,059**
Federal funds purchased and securities sold under agreements to repurchase	114,868,745	112,149,032	104,531,369	79,152,078	25,379,291	7,617,663	2,719,713	2,699,713	20,000
Interest bearing demand notes issued to the U.S. Treasury and other liabilities for borrowed money	33,221,162	27,875,285	25,715,892	17,148,196	8,567,696	2,159,393	5,345,877	5,219,525	126,352
Mortgage indebtedness and liability for capitalized leases	2,160,935	2,106,731	1,637,416	1,234,597	402,819	469,315	54,204	47,709	6,495
All other liabilities	74,754,625	65,732,803	60,316,844	43,071,891	17,244,953	5,415,959	9,021,822	8,206,610	815,212
Total liabilities (excluding subordinated notes and debentures)	**1,333,947,822**	**1,302,469,026**	**978,038,813**	**739,467,138**	**238,571,675**	**324,430,213**	**31,478,796**	**30,470,378**	**1,008,418**
Subordinated notes and debentures	**5,957,206**	**5,955,812**	**4,417,980**	**3,034,067**	**1,383,913**	**1,537,832**	**1,394**	**385**	**1,009**
Equity capital—total	**97,843,654**	**97,241,158**	**70,822,249**	**54,296,395**	**16,525,854**	**26,418,909**	**602,496**	**350,615**	**251,881**
Preferred stock—par value	129,019	125,890	34,208	30,631	3,577	91,682	3,129	3,105	24
Preferred stock—shares outstanding (in thousands)	5,961	5,961	912	428	484	5,049	0	0	0
Common stock—par value	20,452,309	20,273,743	14,517,699	11,402,799	3,114,900	5,756,044	178,566	140,348	38,218
Common stock—shares outstanding (in thousands)	2,895,930	2,892,982	1,424,594	1,177,606	246,988	1,468,388	2,948	1,282	1,666
Surplus	35,489,821	35,328,623	24,301,059	17,846,174	6,454,885	11,027,564	161,198	119,135	42,063
Undivided profits and reserve for contingencies and other capital reserves	41,761,105	41,512,902	31,969,283	25,016,791	6,952,492	9,543,619	248,203	76,627	171,576

PERCENTAGES									
Of total assets:									
Cash and due from depository institutions	13.84	13.69	15.16	13.45	20.49	9.29	20.27	20.62	11.86
U.S. Treasury securities and obligations of other U.S. government agencies and corporations	9.62	9.78	8.46	8.64	7.91	13.74	2.41	2.33	4.39
All other securities	10.40	10.53	9.96	10.11	9.52	12.21	4.91	4.38	17.77
Loans (including federal funds sold and securities purchased under agreements to resell)	59.62	59.53	58.96	60.52	54.13	61.24	63.30	65.11	19.31
All other assets	6.53	6.47	7.45	7.29	7.95	3.52	9.11	7.57	46.67
Total equity capital[3]	6.81	6.92	6.72	6.81	6.44	7.50	1.88	1.14	19.97
Of total assets other than cash and U.S. Treasury securities:									
Total equity capital[3]	8.51[4]	8.64	8.48	8.41	8.70	9.13	2.41[4]	1.46[4]	23.72
Memoranda									
Standby letters of credit—total	28,738,267	28,091,127	26,402,672	17,394,299	9,008,373	1,688,455	647,140	647,140	0
Time certificates of deposits in denominations of $100,000 or more	190,731,518	188,162,811	144,140,455	110,111,784	34,028,671	44,022,356	2,568,707	2,568,707	0
Other time deposits in amounts of $100,000 or more	27,525,589	26,486,357	22,577,120	18,614,044	3,963,076	3,909,237	1,039,232	1,039,232	0
Number of banks at end of period	14,738	14,364	5,425	4,448	977	8,939	374	283	91

Note: Refer to footnotes on Table 106.

Table 108. ASSETS AND LIABILITIES OF ALL MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), JUNE 30, 1979 AND DECEMBER 31, 1979
BANKS GROUPED BY INSURANCE STATUS
(Amounts in thousands of dollars)

Asset, liability, or surplus account item	June 30, 1979			December 31, 1979		
	Total	Insured	Noninsured[1]	Total	Insured	Noninsured[1]
Total Assets	**157,242,653**	**145,521,512**	**11,721,141**	**157,859,312**	**147,112,481**	**10,746,831**
Cash and due from depository institutions	**2,830,649**	**2,607,063**	**223,586**	**3,140,377**	**2,929,219**	**211,158**
Currency and coin	411,501	361,548	49,953	473,846	425,007	48,839
Demand balances with commercial banks in the United States	797,327	718,935	78,392	870,569	808,144	62,425
Other balances with depository institutions	1,447,964[2]	1,367,882	80,082[2]	1,644,052[2]	1,558,068	85,984[2]
Cash items in process of collection	173,857	158,698	15,159	151,910	138,000	13,910
Securities—total	**47,097,348**	**44,203,348**	**2,894,000**	**46,074,243**	**43,494,247**	**2,579,996**
U.S. Treasury, agency, and corporation obligations	18,367,853	17,045,936	1,321,917	18,565,349	17,394,228	1,171,121
Maturing in 1 year and less	*1,726,983*	*1,551,395*	*175,588*	*1,563,546*	*1,423,345*	*140,201*
Maturing in over 1 thru 5 years	*3,409,454*	*3,047,227*	*362,227*	*3,254,881*	*2,904,333*	*350,548*
Maturing in over 5 thru 10 years	*1,958,324*	*1,712,440*	*245,884*	*1,597,005*	*1,360,848*	*236,157*
Maturing over 10 years	*11,273,092*[2]	*10,734,874*	*538,218*[2]	*12,149,917*[2]	*11,705,702*	*444,215*[2]
Corporate bonds	17,457,654	16,675,798	781,856	16,772,562	16,129,261	643,301
Obligations of States and political subdivisions in the U.S.	3,117,022	3,071,833	45,189	2,889,680	2,840,790	48,890
Other bonds, notes and debentures	3,459,922	3,246,263	213,659	3,338,513	3,106,129	232,384
Corporate stock—total	4,694,897	4,163,518	531,379	4,508,139	4,023,839	484,300
Bank	*493,301*	*381,344*	*111,957*	*439,486*	*346,793*	*92,693*
Other	*4,201,596*	*3,782,174*	*419,422*	*4,068,653*	*3,677,046*	*391,607*
Federal funds sold and securities purchased under agreements to resell	**4,193,503**	**3,864,002**	**329,501**	**2,929,750**	**2,688,582**	**241,168**
Loans, net	**98,898,575**	**90,870,937**	**8,027,638**	**101,351,259**	**93,869,281**	**7,481,978**
Real estate loans, gross	94,747,541[2]	87,199,825	7,547,716[2]	96,244,129	89,276,017	6,968,112
Less: Unearned income	*568,851*	*546,429*	*22,422*	*549,733*	*529,384*	*20,349*
Less: Allowance for possible loan losses	*209,521*	*195,457*	*14,064*	*183,655*	*173,180*	*10,475*
Real estate loans, net	*93,969,169*	*86,457,939*	*7,511,230*	*95,510,741*	*88,573,453*	*6,937,288*
Construction and land development	*1,764,769*	*1,608,740*	*156,029*	*1,826,045*	*1,672,333*	*153,712*
Secured by farmland	*46,528*	*37,763*	*8,765*	*44,671*	*37,105*	*7,566*
Secured by residential properties:						
Secured by 1- to 4-family residential properties:						
Insured by FHA or guaranteed by VA	*22,093,705*	*21,005,513*	*1,088,192*	*21,488,284*	*20,496,935*	*991,349*
Conventional	*40,194,878*[2]	*35,219,906*	*4,974,972*[2]	*42,359,390*[2]	*37,742,289*	*4,617,101*[2]
Secured multifamily (5 or more) residential properties:						
Insured by FHA	*2,984,128*	*2,962,077*	*22,051*	*2,886,823*	*2,866,818*	*20,005*
Conventional	*12,451,901*	*12,010,065*	*441,836*	*12,381,109*	*11,999,096*	*382,013*
Secured by nonfarm nonresidential properties	*15,211,632*	*14,355,761*	*855,871*	*15,257,807*	*14,461,441*	*796,366*
Other loans, gross	**5,268,380**	**4,711,338**	**557,042**	**6,226,081**	**5,635,742**	**590,339**
Less: Unearned income	*327,225*[2]	*288,827*	*38,398*[2]	*370,440*	*328,944*	*41,496*
Less: Allowance for possible loan losses	*11,749*	*9,513*	*2,236*	*15,123*	*10,970*	*4,153*
Other loans, net	*4,929,406*	*4,412,998*	*516,408*	5,840,518	5,295,828	544,690
Loans to financial institutions:						
To real estate investment trusts and mortgage companies	*4,165*	*4,155*	*10*	*1,699*	*1,689*	*10*
To domestic commercial and foreign banks	*205,371*	*205,127*	*244*	*228,118*	*228,118*	*0*
To other financial institutions	*83,178*	*83,008*	*170*	*48,013*	*47,843*	*170*
Loans for purchasing or carrying securities (secured and unsecured):						
To brokers and dealers in securities	*0*	*0*	*0*	*0*	*0*	*0*
Other loans for purchasing or carrying securities	*2,045*	*1,721*	*324*	*1,929*	*1,791*	*138*
Loans to finance agricultural production (except those secured primarily by real estate)	724	724	0	1,120	1,120	0
Commercial and industrial loans (except those secured primarily by real estate)	288,540	281,003	7,537	484,059	475,846	8,213

Loans to individuals for household, family, and other personal expenditures (include purchased paper):						
Installment loans to repair and modernize residential property	*749,948*	*672,015*	*77,933*	*858,823*	*776,860*	*81,963*
Other installment loans for household, family, and other personal expenditures	*2,561,074*	*2,260,278*	*300,796*	*2,871,333*	*2,577,044*	*294,289*
Single-payment loans for household, family, and other personal expenditures	*996,890*	*921,612*	*75,278*	*1,425,031*	*1,318,908*	*106,123*
All other loans	376,445	281,695	94,750	305,956	206,523	99,433
Total net loans and securities	**145,995,923**	**135,074,285**	**10,921,638**	**147,425,502**	**137,363,528**	**10,061,974**
Bank premises, furniture and fixtures, capital leases, and other assets representing bank premises	1,448,953	1,325,912	123,041	1,501,924	1,389,116	112,808
Real estate owned other than bank premises	366,611	331,593	35,018	320,827	295,155	25,672
Investment in unconsolidated subsidiaries and associated companies	156,406	148,046	8,360	159,213	150,958	8,255
Other assets	2,250,608	2,170,611	79,997	2,381,719	2,295,923	85,796
Total liabilities and surplus accounts	**157,242,653**	**145,521,512**	**11,721,141**	**157,859,312**	**147,112,481**	**10,746,831**
Deposits—total	**143,110,820**	**132,562,958**	**10,547,862**	**141,969,396**	**132,337,884**	**9,631,512**
Savings and time deposits—total	140,656,427	130,123,745	10,532,682	139,274,255	129,674,702	9,599,553
Savings deposits—total	*66,535,602*	*60,842,015*	*5,693,587*	*59,262,102*	*54,482,515*	*4,779,587*
Subject to transfer by order (interest-brearing)	*5,901,949*	*5,186,906*	*715,043*	*5,456,433*	*4,825,465*	*630,968*
Other	*60,633,653*	*55,655,109*	*4,978,544*	*53,805,669*	*49,657,050*	*4,148,619*
Time deposits—total	*74,120,825*	*69,281,730*	*4,839,095*	*80,012,153*	*75,192,187*	*4,819,966*
Demand deposits—total	*2,454,393*	*2,439,213*	*15,180*	*2,695,141*	*2,663,182*	*31,959*
Subject to transfer by order (noninterest-bearing)	*1,334,600*	*1,332,786*	*1,814*	*1,542,216*	*1,541,281*	*935*
Other	*1,119,793*	*1,106,427*	*13,366*	*1,152,925*	*1,121,901*	*31,024*
Miscellaneous liabilities:						
Federal funds purchased and securities sold under agreements to repurchase	1,084,858	1,075,003	9,855	1,644,197	1,643,214	983
Mortgage indebtedness and liability for capital leases	66,434	65,240	1,194	67,093	65,840	1,253
Other liabilities for borrowed money	1,066,177	999,444	66,733	2,043,672	1,959,463	84,209
Other liabilities	1,043,909	888,503	155,406	1,025,754	876,263	149,491
Total liabilities	**146,372,198**	**135,591,148**	**10,781,050**	**146,750,112**	**136,882,664**	**9,867,448**
Subordinated notes and debentures	**374,956**	**374,956**	**0**	**382,373**	**382,373**	**0**
Surplus accounts—total	**10,495,499**	**9,555,408**	**940,091**	**10,726,827**	**9,847,444**	**879,383**
Surplus	5,122,354	4,519,131	603,223	5,051,832	4,525,587	526,245
Undivided profits	4,185,744	3,980,274	205,470	4,393,664	4,167,296	226,368
Other surplus reserves	1,187,401	1,056,003	131,398	1,281,331	1,154,561	126,770
PERCENTAGES						
Of total assets:						
Cash and due from depository institutions	1.80	1.79	1.91	1.99	1.99	1.96
U.S. Treasury	11.68	11.71	11.28	11.76	11.82	10.90
All other securities	18.27	18.66	13.41	17.43	17.74	13.11
Net loans (including federal funds sold and securities purchased under agreements to resell)	65.56	65.10	71.30	66.06	65.64	71.86
All other assets	2.69	2.73	2.10	2.76	2.81	2.16
Total surplus accounts	6.67	6.57	8.02	6.80	6.69	8.18
Of total assets other than cash and U.S. Government obligations:						
Total surplus accounts	7.71	7.59	9.24	7.88	7.77	9.39
Number of banks	462	322	140	463	324	139

[1] Does not include figures for banks who did not file Reports of Condition (42 in June, 53 in December).
[2] Totals adjusted due to incomplete reporting by some noninsured banks.

Table 109. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER CALL DATES, 1974-1979
(Amounts in thousands of dollars)

Asset, liability, or expense item	Dec. 31, 1974[2]	Dec. 31, 1975[2]	Dec. 31, 1976	Dec. 31, 1977	Dec. 31, 1978	Dec. 31, 1979
Total assets	**899,056,643**	**938,888,209**	**1,011,273,832**	**1,137,794,616**	**1,273,189,105**	**1,405,665,994**
Cash and due from banks—total	**126,069,289**	**129,022,793**	**130,210,127**	**160,382,169**	**178,327,313**	**192,420,607**
Cash items in process of collection	47,279,797	47,332,735	48,368,126	66,451,288	75,291,809	81,933,644
Demand balances with commercial banks in the United States	34,399,470	32,168,664	33,022,240	39,238,490	42,572,323	47,940,502
All other balances with depository institutions in the U.S. and with banks in foreign countries	5,546,812	10,387,072	10,664,363	11,351,612	10,493,618	11,703,690
Balances with Federal Banks	27,116,210	26,779,065	25,964,340	29,339,126	34,398,107	32,240,418
Currency and coin	11,727,000	12,355,257	12,191,058	14,001,653	15,571,456	18,602,353
Securities—total	**193,877,525**	**227,831,583**	**249,964,940**	**258,404,575**	**268,777,856**	**285,484,061**
U.S. Treasury securities	*51,867,904*	*81,008,162*	*96,884,312*	*95,960,613*	*89,699,426*	*88,221,453*
Obligations of other U.S. Government agencies and corporations	*31,090,271*	*33,285,855*	*34,324,587*	*35,812,026*	*42,316,375*	*49,313,676*
Obligations of States and political subdivisions in the U.S.	*96,771,409*	*100,801,799*	*103,505,149*	*112,898,620*	*123,510,734*	*132,568,154*
All other securities	*14,147,941*	*12,735,767*	*15,250,892*	*13,733,316*	*13,251,321*	*15,380,778*
Federal funds sold and securities purchased under agreements to resell	**38,944,238**	**37,361,788**	**45,855,864**	**49,881,414**	**48,755,878**	**61,065,864**
Loans, net	**493,064,162**	**488,721,442**	**518,737,329**	**591,327,780**	**682,866,654**	**766,830,747**
Plus: Allowances for possible loan losses	5,871,660	6,070,344	6,195,279	694,793	7,714,708	8,958,983
Loans, total	498,935,822	494,791,786	524,932,608	598,022,573	690,581,362	775,789,730
Plus: Unearned income on loans	7,258,209	7,489,884	12,625,341	14,702,996	17,726,870	20,532,380
Loans, gross	**506,194,031**	**502,281,670**	**537,557,949**	**612,725,569**	**708,308,232**	**796,322,110**
Real estate loans—total	131,739,920	136,196,154	150,986,919	178,632,320	213,625,237	244,796,237
Construction and land development[1]	*0*	*0*	*17,347,914*	*21,389,331*	*27,269,354*	*32,929,259*
Secured by farmland	*6,030,121*	*6,370,212*	*6,718,186*	*7,730,264*	*8,480,930*	*8,562,893*
Secured by 1- to 4-family residential properties	*74,580,012*	*77,029,917*	*81,110,248*	*96,757,037*	*118,476,776*	*137,346,068*
Secured by multi-family (5 or more) residential properties	*7,543,920*	*5,899,737*	*4,440,412*	*4,907,100*	*5,723,046*	*6,305,464*
Secured by nonfarm nonresidential properties	*43,585,867*	*46,896,288*	*41,370,159*	*47,848,588*	*53,675,131*	*59,652,553*
Loans to financial institutions	45,204,515	38,967,664	35,848,326	36,816,981	43,459,007	41,919,383
Loans for purchasing or carrying securities	9,187,663	10,879,410	15,088,146	17,110,918	14,380,222	13,501,352
Loans to finance agricultural production and other loans to farmers	18,226,897	20,138,952	23,216,369	25,713,073	28,191,763	31,036,748
Commercial and industrial loans	184,074,531	175,946,906	178,635,361	197,076,515	223,243,865	257,678,468
Loans to individuals—total	103,692,681	106,848,796	118,863,153	141,257,446	167,675,391	187,789,998
To purchase private passenger automobiles on installment basis	*32,942,938*	*33,509,251*	*39,824,875*	*49,861,799*	*61,051,302*	*67,804,976*
Credit cards and related plans	*11,126,994*	*12,351,630*	*14,430,339*	*18,475,596*	*24,496,572*	*29,958,653*
To purchase mobile homes (excluding travel trailers)	*9,001,883*	*8,667,742*	*8,737,928*	*9,125,428*	*9,734,878*	*10,658,711*
All other installment loans for household, family and other personal expenditures	*27,631,598*	*29,099,650*	*31,549,012*	*35,852,029*	*41,853,614*	*47,139,893*
Single payment loans for household, family and other personal expenditures	*22,989,268*	*23,220,523*	*24,320,999*	*27,942,594*	*30,539,025*	*32,227,763*
All other loans	14,067,824	13,303,788	14,919,675	16,118,316	17,732,747	19,599,924
Total loans and securities	**725,885,925**	**753,914,813**	**814,558,133**	**899,613,769**	**1,000,400,388**	**1,113,380,672**

Lease financing receivables	3,056,755	4,413,014	5,119,280	5,810,261	7,657,996	9,951,916
Bank premises, furniture and fixtures, and other assets representing bank premises	14,288,523	15,598,231	16,702,977	18,344,595	20,551,097	22,605,926
Real estate owned other than bank premises	811,239	1,909,555	2,894,011	3,095,496	2,475,901	2,085,954
All other assets	28,944,912	34,029,803	41,789,304	50,548,326	63,776,410	65,220,919
Total liabilities and equity capital	**899,056,643**	**938,888,209**	**1,011,273,832**	**1,137,794,616**	**1,273,189,105**	**1,405,665,994**
Business and personal deposits—total	**606,374,826**	**647,239,798**	**697,387,703**	**777,177,835**	**857,642,324**	**933,830,811**
Individuals, partnerships, and corporations—demand	237,069,468	247,869,290	256,806,660	287,843,595	309,347,998	334,126,108
Individuals, partnerships, and corporations—savings	136,074,273	160,653,632	197,660,954	215,197,708	216,503,446	203,132,354
Individuals and nonprofit organizations—savings	*136,074,273*	*160,653,632*	*189,028,878*	*204,453,839*	*205,568,072*	*193,337,392*
Corporations and other profit organizations—savings[1]	*0*	*0*	*8,632,076*	*10,743,869*	*10,935,374*	*9,794,962*
Individuals, partnerships, and corporations—time	222,482,603	227,691,785	231,211,673	259,896,427	316,146,234	380,623,591
Deposits accumulated for payment of personal loans—time	369,690	279,512	144,385	100,303	109,598	0
Certified and officers' checks, travelers' checks, letters of credit—demand	10,378,792	10,745,579	11,564,031	14,139,802	15,535,048	15,948,758
Government deposits—total	**74,215,373**	**70,707,733**	**71,946,030**	**84,641,977**	**88,240,496**	**86,768,339**
United States Government—demand	4,822,299	3,126,631	3,042,572	7,341,318	2,725,862	2,406,844
United States Government—savings[1]	0	0	56,735	58,209	82,733	72,882
United States Government—time	500,147	588,481	686,053	828,852	866,499	949,192
States and political subdivisions—demand	18,706,776	18,879,180	17,989,214	19,208,773	19,202,176	18,932,709
States and political subdivisions—savings[1]	0	0	6,050,857	4,789,442	4,298,654	3,794,443
States and political subdivisions—time	50,186,151	48,113,441	44,120,599	52,415,383	61,064,572	60,612,269
All other deposits—total	**65,522,043**	**63,078,870**	**61,593,152**	**67,453,933**	**70,501,728**	**74,006,025**
Demand	*43,322,732*	*40,800,386*	*44,566,366*	*50,222,044*	*53,474,157*	*60,138,935*
Savings[1]	*0*	*0*	*113,672*	*28,235*	*43,766*	*50,347*
Time	*22,199,311*	*21,998,972*	*16,913,114*	*17,203,654*	*16,983,805*	*13,816,743*
Total deposits	**746,112,242**	**780,746,889**	**830,926,885**	**929,273,745**	**1,016,384,548**	**1,094,605,175**
Demand	*314,300,067*	*321,421,066*	*333,968,843*	*378,755,532*	*400,285,241*	*431,553,354*
Savings	*136,074,273*	*160,653,632*	*203,882,218*	*220,073,594*	*220,928,599*	*207,050,026*
Time	*295,737,902*	*298,672,191*	*293,075,824*	*330,444,619*	*395,170,708*	*456,001,795*
Miscellaneous liabilities—total	**88,107,647**	**87,786,577**	**102,975,877**	**123,501,267**	**163,522,078**	**207,863,851**
Federal funds purchased and securities sold under agreements to repurchase	51,217,439	52,189,647	70,298,626	82,952,495	91,291,670	112,149,032
Interest bearing demand notes issued to the U.S. Treasury and other liabilities for borrowed money	4,814,560	4,604,259	5,080,647	6,694,413	22,791,813	27,875,285
Mortgage indebtedness and liability for capitalized leases	725,190	775,396	804,996	1,038,857	2,035,029	2,106,731
All other liabilities	31,350,458	30,217,275	26,791,608	32,815,502	47,403,566	65,732,803
Total liabilities (excluding subordinated notes and debentures)	**834,219,889**	**868,533,466**	**933,902,762**	**1,052,775,012**	**1,179,906,626**	**1,302,469,026**
Subordinated notes and debentures	**4,258,989**	**4,398,892**	**5,122,527**	**5,739,194**	**5,864,838**	**5,955,812**
Equity capital—total	**60,577,765**	**65,955,851**	**72,248,543**	**79,280,410**	**87,417,641**	**97,241,158**
Preferred stock—par value	43,460	47,881	67,328	98,791	113,851	125,890
Common stock—par value	14,788,893	15,565,026	16,221,264	17,265,237	18,157,997	20,273,743
Surplus	25,312,574	26,706,053	28,894,323	31,085,492	33,202,557	35,328,623
Undivided profits and reserve for contingencies and other capital reserves	20,432,838	23,636,891	27,065,628	30,830,890	35,943,236	41,512,902

Table 109. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER CALL DATES, 1974-1979—CONTINUED
(Amounts in thousands of dollars)

Asset, liability, or expense item	Dec. 31, 1974[2]	Dec. 31, 1975[2]	Dec. 31, 1976	Dec. 31, 1977	Dec. 31, 1978	Dec. 31, 1979
PERCENTAGES						
Of total assets:						
Cash and due from depository institutions	14.02	13.74	12.88	14.10	14.01	13.69
U.S. Treasury securities and obligations of other U.S. Government agencies and corporations	9.23	12.17	12.97	11.58	10.37	9.78
All other securities	12.34	12.09	11.74	11.13	10.74	10.53
Loans (including federal funds sold and securities purchases under agreements to resell)	59.83	56.68	56.44	56.94	58.07	59.53
All other assets	4.59	5.31	5.96	6.25	6.81	6.47
Total equity capital	6.74	7.02	7.14	6.97	6.87	6.92
Of total assets other than cash and U.S. Treasury securities:						
Total equity capital	8.40	9.05	9.21	8.99	8.70	8.64
Number of banks at end of period	14,228	14,384	14,411	14,412	14,391	14,364

[1] Not available before 1976.
[2] Where possible, figures are restated to reflect current reporting requirements. For amounts on an "as reported" basis, see Annual Reports of prior years.

Table 110. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS (DOMESTIC AND FOREIGN OFFICES), UNITED STATES AND OTHER AREAS, 1974-1977

	Dec. 31, 1974	Dec. 31, 1975	Dec. 31, 1976	June 30, 1977	Dec. 31, 1977[1]
Total assets	**1,045,972,427**	**1,095,388,957**	**1,182,390,845**	**1,228,366,375**	**1,339,393,026**
Cash and due from banks	178,295,259	189,406,997	203,772,449	208,283,772	242,983,142
Securities—total	197,019,318	231,527,434	254,383,382	259,474,871	264,525,796
U.S. Treasury securities	*51,886,435*	*80,963,492*	*96,874,136*	*97,233,796*	*96,026,151*
Obligations of U.S. Government agencies and corporations	*31,088,271*	*33,281,405*	*34,323,582*	*34,389,521*	*35,818,251*
Obligations of States and political subdivisions	*96,800,855*	*100,873,178*	*103,588,597*	*108,720,777*	*113,019,592*
Other bonds, notes, and debentures	*9,201,132*	*10,710,644*	*9,594,671*	*9,864,455*	*10,542,996*
Corporate stock			*1,750,989*	*1,809,269*	*1,853,806*
Trading account securities	*8,042,625*	*5,698,715*	*8,251,407*	*7,457,053*	*7,265,000*
Federal funds sold and securities purchased under agreements to resell	39,005,103	36,992,511	45,861,131	40,899,161	49,845,033
Loans, net	......	......	620,866,854	656,224,103	715,851,991
Plus: Reserve for possible loan losses[2]	......	......	6,347,839	6,674,638	6,894,344
Loans, total	580,596,623	586,055,773	627,214,693	662,898,741	722,746,335
Direct lease financing	3,273,680	4,054,812	5,816,434	6,186,765	6,977,301
Bank premises, furniture and fixtures, and assets representing bank premises	14,674,995	16,054,291	17,242,930	17,944,356	19,010,491
Real estate owned other than bank premises	828,853	1,935,839	2,974,073	3,162,192	3,134,042
Investments in unconsolidated subsidiaries and associated companies	750,218	789,718	954,500	941,211	987,244
Customers liability on acceptances outstanding	10,632,747	7,095,983	11,864,784	14,433,352	14,280,877
Other assets	20,895,631	21,475,599	18,654,308	20,816,592	21,797,109
Total liabilities and equity capital	**1,045,972,427**	**1,095,388,957**	**1,182,390,845**	**1,228,366,375**	**1,339,393,026**
Total deposits	871,225,194	915,856,039	991,913,006	1,022,062,067	1,116,617,556
Federal funds purchased and securities sold under agreements to repurchase	50,980,062	52,609,050	70,435,494	75,820,815	83,315,006
Other liabilities for borrowed money	8,368,159	7,934,301	9,510,108	11,563,041	13,146,839
Mortgage indebtedness	725,166	774,450	826,196	856,439	1,048,297
Acceptances executed and outstanding	14,131,257	11,291,867	12,048,179	14,594,467	14,432,321
Other liabilities	28,426,938	29,031,187	20,171,609	22,334,880	25,711,530
Total liabilities (excluding subordinated notes and debentures)	973,856,776	1,017,496,894	1,104,904,592	1,147,231,709	1,254,271,549
Subordinated notes and debentures	4,261,373	4,422,484	5,220,566	5,450,465	5,830,565
Reserves on loans and securities—total[2]	8,779,607	9,193,375	......	......	......
Reserve for losses on loans	*8,466,353*	*8,791,680*	......	......	......
Other reserves on loans	*144,446*	*212,260*	......	......	......
Reserves on securities	*168,808*	*189,435*	......	......	......
Equity capital—total	59,074,671	64,276,204	72,265,687	75,684,201	79,290,912
MEMORANDA					
Standby letters of credit outstanding[3]	......	.....	16,410,420	17,198,835	20,043,593
Time certificates of $100,000 or more:[3]					
Time certificates of deposit	......	......	114,172,181	112,053,745	135,756,267
Other time deposits	......	......	23,307,985	24,503,572	26,366,568
Number of banks	**14,228**	**14,384**	**14,411**	**14,441**	**14,412**

[1] For more detailed 1977 data, see *Assets and Liabilities, Commercial and Mutual Savings Banks, December 31, 1977.*
[2] Changes in the reporting of loan losses beginning in 1976 are discussed on page 160.
[3] Data not available prior to 1976.

Table 110A. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS (DOMESTIC AND FOREIGN OFFICES), UNITED STATES AND OTHER AREAS, DECEMBER 31, 1978[1]

	Domestic only banks and reporting branches	Banks with foreign offices			Consolidated Total — Columns 1 and 4
		Foreign offices and Edge and agreement subsidiaries	Domestic offices	Consolidated reports	
Total Assets	**660,586,728**	**239,209,434**	**608,421,045**	**847,630,479**	**1,508,217,207**
Cash and due from depository institutions	71,047,051	96,181,149	106,832,727	203,013,876	274,060,927
Cash items in process of collection and unposted debits	17,115,855	1,883,165	58,020,871	59,904,036	77,019,891
Demand balances with commercial banks in the U.S.	25,597,499	4,610,696	16,959,173	21,569,869	47,167,368
Time and savings balances with commercial banks in the U.S.	2,673,411	1,118,505	983,473	2,101,978	4,775,389
Balances with other depository institutions in the U.S.	2,063,973	230,887	75,165	306,052	2,370,025
Balances with banks in foreign countries	1,347,451	83,642,267	3,080,125	86,722,392	88,069,843
With foreign branches of other U.S. banks	N/A	18,391,587	529,493	18,921,080	N/A
With other banks in foreign countries	N/A	65,250,680	2,550,632	67,801,312	N/A
Balances with central banks	12,553,829	4,459,660	21,866,740	26,326,400	38,880,229
Balances with Federal Reserve banks	12,553,829	566,068	21,844,206	22,410,274	34,964,103
Balances with other central banks	N/A	3,893,592	22,534	3,916,126	N/A
Currency and coin	9,695,033	235,969	5,847,180	6,083,149	15,778,182
Securities—total	**174,474,133**	**7,724,550**	**94,121,950**	**101,846,500**	**276,320,633**
U.S. Treasury securities	59,070,019	41,607	30,629,407	30,671,014	89,741,033
Obligations of U.S. Government agencies and corporations	30,077,067	4,278	12,239,201	12,243,479	42,320,546
Obligations of States and political subdivisions	80,683,209	203,293	42,645,915	42,849,208	123,532,417
Other bonds, notes, and debentures	3,836,329	6,611,403	1,544,865	8,156,268	11,992,597
Corporate stock	483,294	171,520	954,465	1,125,985	1,609,279
Trading account securities	324,215	692,449	6,108,097	6,800,546	7,124,761
Federal funds sold and securities purchased under agreements to resell	**24,919,434**	**199,066**	**23,809,210**	**24,008,276**	**48,927,710**
Loans, net	**366,064,370**	**143,903,749**	**314,040,754**	**457,944,503**	**824,008,873**
Less: reserve for possible loan losses	3,575,398	242,417	4,138,994	4,381,411	7,956,809
Loans, total	369,639,768	144,146,166	318,179,748	462,325,914	831,965,682
Less unearned income on loans	12,473,258	1,026,444	5,175,576	6,202,020	18,675,278
Loans, gross	382,113,026	145,172,608	323,355,326	468,527,934	850,640,960
Real estate loans (including only loans secured primarily by real estate)	138,175,458	4,335,879	74,579,460	78,915,339	217,090,797
Loans to financial institutions	4,505,362	22,780,815	38,812,812	61,593,628	66,098,990
To real estate investment trusts and mortgage companies	1,095,496	80,891	7,218,826	7,299,717	8,395,213
To commercial banks in the U.S.	560,278	2,348,304	4,202,316	6,550,620	7,110,898
To U.S. branches and agencies of foreign banks	N/A	447,723	1,670,141	2,117,864	N/A
To other commercial banks in the U.S.	N/A	1,900,581	2,532,175	4,432,756	N/A
To banks in foreign countries	228,130	15,540,309	9,922,082	25,462,391	25,690,521
To foreign branches of other U.S. banks	N/A	377,057	466,657	843,714	N/A
To other banks in foreign countries	N/A	15,163,252	9,455,425	24,618,677	N/A
To finance companies in the U.S.	633,144	284,177	8,066,647	8,350,825	8,983,969
To other financial institutions	1,988,314	4,527,134	9,402,941	13,930,075	15,918,389
Loans for purchasing or carrying securities (secured and unsecured)	2,574,469	961,145	11,805,591	12,766,736	15,341,205
Loans to farmers	23,951,853	455,782	4,238,840	4,694,622	28,646,475
Commercial and industrial loans (except those secured primarily by real estate)	93,274,518	85,542,095	128,818,212	214,360,307	307,634,824
To U.S. addressees (domicile)	N/A	3,379,190	119,830,128	123,209,318	N/A
To non U.S. addressees (domicile)	N/A	82,162,905	8,988,084	91,150,989	N/A
Loans to individuals for household, family and other personal expenditures	113,376,495	4,787,396	53,740,786	58,528,182	171,904,677
All other loans	6,254,872	26,309,497	11,359,623	37,669,120	43,923,992
Loans to foreign governments and official institutions	N/A	22,991,591	2,429,658	25,421,249	N/A
Other loans	N/A	3,317,906	8,929,965	12,247,871	N/A
Direct lease financing	1,696,007	1,405,246	5,955,448	7,360,694	9,056,701
Bank premises, furniture and fixtures, and other assets representing bank premises	12,363,283	824,681	8,149,433	8,974,114	21,337,397
Real estate owned other than bank premises	922,603	119,810	1,464,912	1,584,722	2,507,325

Investments in unconsolidated subsidiaries and associated companies	47,549	−1,337,566	2,361,274	1,023,708	1,071,257
Customer's liability of acceptances outstanding	343,721	3,797,994	18,657,383	22,455,377	22,799,098
Other assets	8,708,577	−13,609,245	33,027,954	19,418,709	28,127,286
Total liabilities and equity capital	**660,586,728**	**239,209,434**	**608,421,045**	**847,630,479**	**1,508,217,207**
Total deposits	573,201,984	220,619,569	439,811,012	660,430,581	1,233,632,565
Individuals, partnerships and corporations	496,960,075	68,307,952	342,052,178	410,360,130	907,320,205
Demand	171,258,720	N/A	137,446,898	N/A	N/A
Savings	146,437,961	N/A	69,656,522	N/A	N/A
Time	179,263,394	N/A	134,948,758	N/A	N/A
U.S. Government	2,067,676	203,789	1,590,578	1,794,367	3,862,043
Demand	1,629,925	N/A	1,079,468	N/A	N/A
Savings	56,212	N/A	26,456	N/A	N/A
Time	381,545	N/A	484,654	N/A	N/A
States and political subdivisions in the U.S.	57,227,388	225,363	27,145,004	27,370,367	84,597,755
Demand	14,275,286	N/A	4,876,954	N/A	N/A
Savings	3,566,455	N/A	714,585	N/A	N/A
Time	39,385,647	N/A	21,553,465	N/A	N/A
Foreign governments and official institutions	155,951	33,490,372	8,128,766	41,619,138	41,775,089
Demand	40,300	N/A	1,797,711	N/A	N/A
Savings	1,139	N/A	16,101	N/A	N/A
Time	114,515	N/A	6,314,954	N/A	N/A
Deposits of commercial banks in the U.S.	8,679,749	15,696,373	42,652,868	58,349,241	67,028,990
Demand	7,147,904	N/A	35,310,734	N/A	N/A
Savings	3,188	N/A	414	N/A	N/A
Time	1,528,657	N/A	7,341,720	N/A	N/A
Deposits of banks in foreign countries	475,196	99,950,405	9,404,204	109,354,609	109,829,805
Demand	228,107	N/A	8,222,583	N/A	N/A
Savings	0	N/A	195	N/A	N/A
Time	247,089	N/A	1,181,426	N/A	N/A
All other deposits	983,252	N/A	N/A	N/A	983,252
Demand	719,797	N/A	N/A	N/A	N/A
Savings	22,729	N/A	N/A	N/A	N/A
Time	240,726	N/A	N/A	N/A	N/A
Certified and officers checks, travelers checks, and letters of credit sold for cash	6,652,697	2,745,315	8,837,414	11,582,729	18,235,426
Federal funds purchased and securities sold under agreements to repurchase	21,137,970	109,666	70,153,700	70,263,366	91,401,336
Interest bearing demand notes and other liabilities for borrowed money	6,218,268	10,181,142	16,569,445	26,750,587	32,968,855
Mortgage indebtedness	905,452	43,135	1,128,767	1,171,902	2,077,354
Acceptances executed and outstanding	344,036	3,838,014	18,839,318	22,677,332	23,021,368
Other liabilities	7,591,874	4,100,385	19,823,468	23,923,853	31,515,727
Total liabilities (excluding subordinated notes and debentures)	609,399,584	238,891,911	566,325,710	805,217,621	1,414,617,205
Subordinated notes and debentures	2,575,147	293,832	3,289,691	3,583,523	6,158,670
Equity capital—total	**48,611,997**	**23,691**	**38,805,644**	**38,829,335**	**87,441,332**
MEMORANDA					
Standby letters of credit outstanding	2,428,292	6,852,521	16,438,715	23,291,236	25,719,528
Time certificates of $100,000 or more:					
Time certificates of deposits	67,456,718	N/A	110,068,449	N/A	N/A
Other time deposits	9,423,712	N/A	17,139,007	N/A	N/A
Number of banks	14,236	—	—	155	14,391
Number of reporting branches	19	—	—	—	19

[1] Totals for items that are not explicitly reported are derived mathematically.
N/A Not available.

Table 110B. ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS (DOMESTIC AND FOREIGN OFFICES), UNITED STATES AND OTHER AREAS, DECEMBER 31, 1979[1]

		Banks with foreign offices			
	Domestic only banks and reporting branches	Foreign offices and Edge and agreement subsidiaries	Domestic offices	Consolidated reports	Consolidated Total — Columns 1 and 4
Total Assets	**712,740,109**	**291,127,646**	**688,210,246**	**979,337,892**	**1,692,078,001**
Cash and due from depository institutions	76,793,623	114,608,166	115,199,762	229,807,928	306,601,551
Cash items in process of collection and unposted debits	18,116,786	1,785,860	63,722,234	65,508,094	83,624,880
Demand balances with commercial banks in the U.S.	28,120,209	5,186,135	19,812,146	24,998,281	53,118,490
Time and savings balances with commercial banks in U.S.	3,058,221	1,718,509	901,042	2,619,551	5,677,772
Balances with other depository institutions in the U.S.	2,581,048	68,539	56,949	125,488	2,706,536
Balances with banks in foreign countries	2,045,511	102,042,099	2,723,432	104,765,531	106,811,042
With foreign branches of other U.S. banks	N/A	26,089,816	994,385	27,084,201	N/A
With other banks in foreign countries	N/A	75,952,283	1,729,047	77,681,330	N/A
Balances with central banks	11,610,565	3,518,875	20,670,745	24,189,620	35,800,185
Balances with Federal Reserve banks	11,610,565	420,761	20,629,848	21,050,609	32,661,174
Balances with other central banks	N/A	3,098,114	40,897	3,139,011	N/A
Currency and coin	11,261,283	288,149	7,313,214	7,601,363	18,862,646
Securities—total	**180,654,263**	**8,676,287**	**104,593,025**	**113,269,312**	**293,923,575**
U.S. Treasury securities	57,941,042	205,023	30,280,411	30,485,434	88,426,476
Obligations of U.S. Government agencies and corporations	33,884,968	49,102	15,428,601	15,477,703	49,362,671
Obligations of States and political subdivisions	84,289,498	475,313	48,042,973	48,518,286	132,807,784
Other bonds, notes, and debentures	3,584,790	6,631,241	1,668,164	8,299,405	11,884,195
Corporate stock	491,907	169,430	1,003,196	1,172,626	1,664,533
Trading account securities	462,058	1,146,178	8,169,680	9,315,858	9,777,916
Federal funds sold and securities purchased under agreements to resell	**36,013,875**	**354,941**	**24,907,823**	**25,262,764**	**61,276,639**
Loans, net	**392,337,889**	**160,104,659**	**371,417,294**	**531,521,953**	**923,859,842**
Less: reserve for possible loan losses	3,944,967	224,756	5,013,752	5,238,508	9,183,475
Loans, total	396,282,856	160,329,415	376,431,046	536,760,461	933,043,317
Less: unearned income on loans	13,867,819	1,390,457	6,594,843	7,985,300	21,853,119
Loans, gross	410,150,675	61,719,872	383,025,889	544,745,761	954,896,436
Real estate loans (including only loans secured primarily by real estate)	150,244,567	5,347,419	93,699,271	99,046,691	249,291,258
Loans to financial institutions	4,032,783	27,894,848	37,620,545	65,515,393	69,548,176
To real estate investment trusts and mortgage companies	906,529	103,893	6,538,057	6,641,950	7,548,479
To commercial banks in the U.S.	530,572	537,932	3,739,925	4,277,857	4,808,429
To U.S. branches and agencies of foreign banks	N/A	256,091	1,396,410	1,652,501	N/A
To other commercial banks in the U.S.	N/A	281,841	2,343,515	2,625,356	N/A
To banks in foreign countries	279,637	20,337,528	7,583,348	27,920,876	28,200,513
To foreign branches of other U.S. banks	N/A	320,276	314,471	634,747	N/A
To other banks in foreign countries	N/A	20,017,252	7,268,877	27,286,129	N/A
To finance companies in the U.S.	534,672	294,524	8,891,137	9,185,661	9,720,333
To other financial institutions	1,781,373	6,620,971	10,868,078	17,489,049	19,270,422
Loans for purchasing or carrying securities (secured and unsecured)	2,381,916	1,072,287	11,021,335	12,093,622	14,475,538
Loans to farmers	26,136,821	422,273	4,882,787	5,305,060	31,441,881
Commercial and industrial loans (except those secured primarily by real estate)	99,500,357	94,477,628	157,148,759	251,626,386	351,126,743
To U.S. addressees (domicile)	N/A	5,059,717	148,717,088	153,776,804	N/A
To non U.S. addressees (domicile)	N/A	89,417,911	8,431,671	97,849,582	N/A
Loans to individuals for household, family and other personal expenditures	121,099,677	5,532,886	66,085,494	71,618,380	192,718,057
All other loans	6,754,554	26,972,531	12,567,698	39,540,229	46,294,783
Loans to foreign government and official institutions	N/A	23,510,562	1,842,733	25,353,295	N/A
Other loans	N/A	3,461,969	10,724,965	14,186,934	N/A
Direct lease financing	1,895,218	1,823,521	8,047,517	9,871,038	11,766,256
Bank premises, furniture and fixtures, and other assets representing bank premises	13,518,925	973,800	9,057,121	10,030,921	23,549,846
Real estate owned other than bank premises	892,217	122,099	1,117,304	1,239,403	2,131,620

Investments in unconsolidated subsidiaries and associated companies	42,259	517,763	552,626	1,070,389	1,112,648
Customer's liability of acceptances outstanding	402,896	6,756,150	25,398,900	32,155,050	32,557,946
Other assets	10,188,944	−2,809,740	27,918,874	25,109,134	35,298,078
Total liabilities and equity capital	**712,740,109**	**291,127,646**	**688,210,246**	**979,337,892**	**1,692,078,001**
Total deposits	615,266,936	272,493,380	475,307,831	747,801,211	1,363,068,147
Individuals, partnerships and corporations	538,328,449	87,895,077	376,165,099	464,060,176	1,002,388,625
Demand	178,741,370	N/A	154,800,406	N/A	N/A
Savings	134,100,569	N/A	68,662,288	N/A	N/A
Time	225,486,510	N/A	152,702,405	N/A	N/A
U.S. Government	1,863,548	215,333	1,553,503	1,768,836	3,632,384
Demand	1,417,407	N/A	980,947	N/A	N/A
Savings	49,591	N/A	21,155	N/A	N/A
Time	396,550	N/A	551,401	N/A	N/A
States and political subdivisions in the U.S.	56,895,859	290,247	26,150,452	26,440,699	83,336,558
Demand	13,598,401	N/A	5,280,004	N/A	N/A
Savings	3,176,754	N/A	608,035	N/A	N/A
Time	40,120,704	N/A	20,262,413	N/A	N/A
Foreign governments and official institutions	211,233	36,769,246	6,846,690	43,615,936	43,827,169
Demand	40,226	N/A	2,110,900	0	N/A
Savings	954	N/A	20,720	0	N/A
Time	170,053	N/A	4,715,070	0	N/A
Deposits of commercial banks in the U.S.	9,752,594	17,936,120	45,343,782	63,279,902	72,852,496
Demand	7,883,540	N/A	40,077,903	0	N/A
Savings	6,321	N/A	355	0	N/A
Time	1,682,733	N/A	5,265,524	0	N/A
Deposits of banks in foreign countries	448,537	126,247,938	10,199,011	136,446,949	136,895,486
Demand	249,019	N/A	8,924,042	N/A	N/A
Savings	0	N/A	169	N/A	N/A
Time	199,518	N/A	1,274,800	N/A	N/A
All other deposits	1,091,858	N/A	N/A	N/A	1,091,858
Demand	738,333	N/A	N/A	N/A	N/A
Savings	20,881	N/A	N/A	N/A	N/A
Time	332,644	N/A	N/A	N/A	N/A
Certified and officers checks, travelers checks, and letters of credit sold for cash	6,854,858	3,139,419	9,049,294	12,188,713	19,043,571
Federal funds purchased and securities sold under agreements to repurchase	24,801,700	197,856	87,347,332	87,545,188	112,346,888
Interest-bearing demand notes and other liabilities for borrowed money	5,933,394	11,673,614	21,919,296	33,592,910	39,526,304
Mortgage indebtedness	900,998	43,478	1,204,973	1,248,451	2,149,449
Acceptances executed and outstanding	403,221	5,825,332	26,612,866	32,438,198	32,841,419
Other liabilities	9,371,013	597,028	28,684,160	29,281,188	38,652,201
Total liabilities (excluding subordinated notes and debentures)	656,677,262	290,830,688	641,076,458	931,907,146	1,588,584,408
Subordinated notes and debentures	2,617,712	296,958	3,338,100	3,635,058	6,252,770
Equity capital — total	**53,445,135**	**0**	**43,795,690**	**43,795,690**	**97,240,825**
MEMORANDA					
Standby letters of credit outstanding	3,228,477	6,686,660	24,816,081	31,502,741	34,731,218
Time certificates of $100,000 or more:					
Time certificates of deposits	79,583,973	N/A	107,330,684	N/A	N/A
Other time deposits	7,889,601	N/A	18,046,394	N/A	N/A
Number of banks	14,200	......	......	164	14,364
Number of reporting branches	19	......	......	......	19

[1]Totals for items that are not explicitly reported are derived mathematically.

NOTE: N/A — Not Available.

Table 111. ASSETS AND LIABILITIES OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER CALL DATES, 1974-1979
(Amounts in thousands of dollars)

Asset, liability, or surplus account	Dec. 31, 1974	Dec. 31, 1975	Dec. 31, 1976	Dec. 31, 1977	Dec. 31, 1978	Dec. 31, 1979
Total Assets	**95,589,401**	**107,280,765**	**120,839,827**	**132,201,371**	**142,352,807**	**147,112,481**
Cash and due from depository institutions	**2,053,353**	**2,195,390**	**2,188,926**	**2,214,478**	**3,570,970**	**2,929,219**
Currency and coin	268,102	308,887	338,001	386,038	411,640	425,007
Demand balances with commercial banks in the United States	683,943	706,116	925,344	761,624	861,088	808,144
Other balances with depository institutions	1,022,757	1,091,274	807,240	922,001	2,136,238	1,558,068
Cash items in process of collection	78,551	89,113	118,341	144,815	162,004	138,000
Securities—total	**22,684,614**	**30,421,034**	**37,984,627**	**42,219,724**	**43,546,458**	**43,494,247**
U.S. Treasury, agency, and corporation obligations	5,967,835	9,468,682	13,194,506	15,496,605	16,215,435	17,394,228
Maturing in 1 year and less	*712,274*	*1,312,116*	*1,981,205*	*1,857,506*	*1,371,969*	*1,423,345*
Maturing in over 1 thru 5 years	*1,604,165*	*2,761,242*	*3,237,461*	*3,427,509*	*3,270,419*	*2,904,333*
Maturing in over 5 thru 10 years	*694,251*	*1,167,218*	*1,383,006*	*1,751,417*	*1,517,745*	*1,360,848*
Maturing over 10 years	*2,957,145*	*4,228,106*	*6,592,834*	*8,460,173*	*10,055,302*	*11,705,702*
Corporate bonds	10,560,303	13,503,561	15,781,623	16,449,941	16,376,504	16,129,261
Obligations of States and political subdivisions in the U.S.	882,620	1,488,631	2,301,574	2,770,854	3,297,215	2,840,790
Other bonds, notes, and debentures	1,856,557	2,329,685	3,019,191	3,503,057	3,587,862	3,106,129
Corporate stock—total	3,417,299	3,630,475	3,687,733	3,999,267	4,069,442	4,023,839
Bank	*348,290*	*374,851*	*387,161*	*409,239*	*387,736*	*346,793*
Other	*3,069,009*	*3,255,624*	*3,300,572*	*3,590,028*	*3,681,706*	*3,677,046*
Federal funds sold and securities purchased under agreements to resell	**964,856**	**897,063**	**1,322,316**	**1,880,491**	**1,889,991**	**2,688,582**
Loans, net	**67,449,217**	**70,812,040**	**75,990,422**	**82,307,795**	**89,478,403**	**93,869,281**
Real estate loans, gross	65,339,748	68,371,859	72,820,626	78,739,467	85,110,268	89,276,017
Less: Unearned income	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*529,384*
Less: Allowance for possible loan losses	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*173,180*
Real estate loans, net	*65,339,748*	*68,371,859*	*72,820,626*	*78,739,467*	*85,110,268*	*88,573,453*
Construction and land development	*821,250*	*824,494*	*854,499*	*1,117,143*	*1,506,918*	*1,672,333*
Secured by farmland	*49,185*	*48,239*	*46,364*	*39,101*	*38,425*	*37,105*
Secured by residential properties:						
Secured by 1– to 4–family residential properties:						
Insured by FHA or guaranteed by VA	*23,553,308*	*22,930,121*	*22,368,394*	*21,615,197*	*21,163,512*	*20,496,935*
Conventional	*18,275,751*	*20,123,915*	*23,393,029*	*28,437,445*	*33,524,543*	*37,742,289*
Secured multifamily (5 or more) residential properties:						
Insured by FHA	*1,688,126*	*1,949,245*	*2,428,166*	*2,695,114*	*2,940,909*	*2,866,818*
Conventional	*10,076,268*	*10,693,613*	*10,874,242*	*11,360,282*	*11,778,017*	*11,999,096*
Secured by nonfarm nonresidential properties	*10,875,860*	*11,802,232*	*12,855,932*	*13,475,185*	*14,157,944*	*14,461,441*
Other loans, gross	**2,109,469**	**2,440,181**	**3,169,796**	**3,568,328**	**4,368,135**	**5,635,742**
Less: Unearned income	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*328,944*
Less: Allowance for possible loan losses	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*10,970*
Other loans, net	*2,109,469*	*2,440,181*	*3,169,796*	*3,568,328*	*4,368,135*	*5,295,828*
Loans to financial institutions:						
To real estate investment trusts and mortgage companies	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*1,689*
To domestic commercial and foreign banks	*18,339*	*26,747*	*26,955*	*10,254*	*97,670*	*228,118*
To other financial institutions	*26,324*	*32,835*	*57,234*	*56,679*	*117,296*	*47,843*
Loans for purchasing or carrying securities (secured and unsecured):						
To brokers and dealers in securities	*743*	*0*	*0*	*30,000*	*2,000*	*0*
Other loans for purchasing or carrying securities	*930*	*1,990*	*1,494*	*1,285*	*1,688*	*1,791*
Loans to finance agricultural production (except those secured primarily by real estate)	*1,416*	*1,460*	*918*	*1,407*	*1,167*	*1,120*
Commercial and industrial loans (except those secured primarily by real estate)	*175,360*	*297,097*	*599,849*	*506,372*	*375,396*	*475,846*
Loans to individuals for household, family, and other personal expenditures (include purchased paper):						
Installment loans to repair and modernize residential property	*0*	*0*	*0*	*0*	*0*	*776,860*
Other installment loans for household, family, and other personal expenditures	*1,812,329*	*1,984,829*	*2,412,478*	*2,892,234*	*3,685,543*	*2,577,044*
Single-payment loans for household, family, and other personal expenditures	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*1,318,908*
All other loans	74,028	95,223	70,868	70,097	87,375	206,523
Total net loans and securities	**90,133,831**	**101,233,074**	**113,975,049**	**124,527,519**	**133,024,861**	**137,363,528**

Bank premises, furniture and fixtures, capital leases, and other assets representing bank premises	857,879	963,664	1,063,867	1,161,551	1,266,509	1,389,116
Real estate owned other than bank premises	233,775	418,233	490,059	444,012	382,005	295,155
Investment in unconsolidated subsidiaries and associated companies	82,292	94,253	112,754	115,357	119,910	150,958
Other assets	1,263,415	1,479,088	1,686,856	1,857,963	2,098,561	2,295,923
Total liabilities and surplus accounts	**95,589,401**	**121,070,592**	**120,839,827**	**132,201,371**	**142,352,807**	**147,112,481**
Deposits—total	**86,814,415**	**110,583,326**	**110,998,759**	**121,265,988**	**129,449,932**	**132,337,884**
Savings and time deposits—total	85,904,825	109,553,709	109,895,767	119,734,061	127,600,309	129,674,702
Savings deposits—total	*56,497,626*	*70,307,268*	*67,295,029*	*70,382,619*	*64,291,598*	*54,482,515*
Subject to transfer by order (interest-bearing)	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*4,825,465*
Other	*56,497,626*	*70,307,268*	*67,295,029*	*70,382,619*	*64,291,598*	*49,657,050*
Time deposits—total	*29,407,199*	*39,246,441*	*42,600,738*	*49,351,442*	*63,308,711*	*75,192,187*
Demand deposits—total	*909,590*	*1,029,617*	*1,102,992*	*1,531,927*	*1,849,623*	*2,663,182*
Subject to transfer by order (noninterest-bearing)	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*1,541,281*
Other	*909,590*	*1,029,617*	*1,102,992*	*1,531,927*	*1,849,623*	*1,121,901*
Miscellaneous liabilities:						
Federal funds purchased and securities sold under agreements to repurchase	217,561	108,715	69,118	169,166	578,706	1,643,214
Mortgage indebtedness and liability for capital leases	N/A	*N/A*	*N/A*	*N/A*	*N/A*	*65,840*
Other liabilities for borrowed money	667,256	481,778	356,329	483,710	1,025,607	1,959,463
Other liabilities	1,067,626	1,475,903	1,439,661	1,472,794	1,646,051	876,263
Total liabilities	**88,766,858**	**112,649,722**	**112,863,867**	**123,391,658**	**132,700,296**	**136,882,664**
Subordinated notes and debentures	**169,460**	**196,374**	**213,264**	**353,386**	**353,956**	**382,373**
Surplus accounts—total	**6,653,083**	**8,224,496**	**7,762,696**	**8,456,327**	**9,298,555**	**9,847,444**
Surplus	6,653,083	8,224,496	7,762,696	8,456,327	9,298,555	4,525,587
Undivided profits	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*4,167,296*
Other surplus reserves	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*1,154,561*
PERCENTAGES						
Of total assets:						
Cash and due from depository institutions	2.15	1.94	1.81	1.68	2.51	1.99
U.S. Treasury	6.24	8.92	10.92	11.72	11.39	11.82
All other securities	17.49	19.35	20.51	20.21	19.20	17.74
Net loans (including federal funds sold and securities purchased under agreements to resell)	71.57	67.12	63.98	63.68	64.18	65.64
All other assets	2.55	2.68	2.78	2.71	2.72	2.81
Total surplus accounts	6.96	6.79	6.42	6.40	6.53	6.69
Of total assets other than cash and U.S. Government obligations:						
Total surplus accounts	7.60	7.62	7.36	7.39	7.59	7.77
Number of banks	320	476	329	323	325	324

Table 112. PERCENTAGES OF ASSETS, LIABILITIES, AND EQUITY CAPITAL OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1979 IN THE UNITED STATES AND OTHER AREAS, DECEMBER 31, 1979
BANKS GROUPED BY AMOUNT OF ASSETS

Asset, liability, or equity capital item	All banks	Banks with assets of— Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$10.00 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Total assets	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Cash and due from depository institutions	13.7	10.7	9.6	9.3	9.2	9.6	10.8	13.0	13.2	14.0	18.2
U.S. Treasury Securities[1]	6.3	14.4	12.2	9.4	8.6	8.0	7.8	7.8	7.3	5.7	3.7
Obligations of other U.S. Government agencies and corporations	3.5	9.5	8.5	6.7	5.4	4.7	4.3	4.5	3.4	2.8	1.9
Obligations of states and political subdivisions[1]	9.4	3.3	6.1	10.2	12.4	13.2	13.2	11.4	11.0	9.7	5.3
All other securities	1.1	.5	.5	.5	.5	.6	.5	1.0	1.0	1.1	1.8
Federal funds sold and securities purchased under agreements to resell	4.3	8.1	6.5	5.4	4.7	4.4	4.7	5.6	5.6	4.7	3.0
Loans, net	54.6	50.9	53.8	55.5	55.7	55.8	54.8	52.7	53.9	54.1	54.4
Unearned income on loans	1.5	1.5	1.5	1.9	2.0	2.2	2.0	1.9	1.8	1.2	.8
Allowance for possible loan losses	.6	.4	.5	.5	.5	.5	.6	.6	.6	.6	.8
Loans, gross	56.7	52.8	55.8	57.9	58.2	58.5	57.4	55.2	56.3	55.9	56.0
Real estate loans	*17.4*	*13.7*	*16.4*	*20.1*	*22.3*	*22.5*	*22.2*	*19.3*	*18.7*	*15.9*	*12.8*
Loans to financial institutions	*3.0*	*.1*	*.1*	*.1*	*.2*	*.3*	*.5*	*1.2*	*1.5*	*3.4*	*6.5*
Loans for purchasing or carrying securities	*1.0*	*.1*	*.1*	*.1*	*.1*	*.2*	*.3*	*.7*	*.9*	*.9*	*1.9*
Loans to finance agricultural production and other loans to farmers	*2.2*	*16.1*	*15.0*	*10.2*	*6.0*	*3.1*	*1.4*	*1.1*	*.8*	*.7*	*.8*
Commercial and industrial loans	*18.3*	*7.4*	*8.6*	*10.3*	*11.7*	*13.9*	*15.6*	*15.9*	*17.1*	*19.4*	*24.3*
Loans to individuals for household, family and other personal expenditures	*11.1*	*11.1*	*11.4*	*12.5*	*13.2*	*14.0*	*13.7*	*13.5*	*13.5*	*11.7*	*6.9*
Single-payment loans for personal expenditures	*2.3*	*3.4*	*3.3*	*3.6*	*3.8*	*3.6*	*2.9*	*2.4*	*2.6*	*2.2*	*1.0*
All other loans	*1.4*	*.9*	*.9*	*1.0*	*.9*	*.9*	*.8*	*1.1*	*1.2*	*1.7*	*1.8*
All other assets	7.1	2.6	2.8	3.0	3.5	3.7	3.9	4.0	4.6	7.9	11.7
Total liabilities and equity capital	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Deposits—total	77.8	87.6	89.3	89.6	89.2	88.4	86.3	83.7	81.6	74.7	66.3
Demand deposits	*30.8*	*35.8*	*30.1*	*28.9*	*28.4*	*28.8*	*29.1*	*31.4*	*32.4*	*30.9*	*32.5*
Time and savings	*47.0*	*51.6*	*59.2*	*60.7*	*60.8*	*59.6*	*57.2*	*52.3*	*49.2*	*43.8*	*33.8*
Individuals, partnerships, and corporations—demand	23.8	32.1	26.6	25.5	25.1	25.4	24.7	24.9	26.1	24.6	21.0
Individuals, partnerships, and corporations—time and savings	41.5	44.8	52.5	54.4	54.6	53.1	50.5	44.9	42.6	38.2	29.7
U.S. Government	.2	.2	.3	.3	.3	.3	.2	.3	.3	.3	.2
States and political subdivisions	5.9	9.6	8.9	8.3	8.1	8.1	8.1	8.4	7.3	6.1	2.5
Certified and officers' checks	1.1	.7	.8	.9	.9	1.0	1.0	1.2	1.1	.9	1.5
All other deposits	5.3	.2	.2	.2	.2	.5	1.8	4.0	4.2	4.6	11.4
Federal funds purchased and securities sold under agreements to repurchase	8.0	.3	.4	.5	.8	1.6	3.6	6.3	7.8	11.5	13.2
Interest-bearing demand notes issued to the U.S. Treasury and other liabilities for borrowed money	2.0	.0	.1	.2	.3	.5	.9	1.0	1.6	2.3	3.7
All other liabilities[2]	4.9	.6	.6	1.0	1.4	1.5	1.6	1.7	1.9	4.6	9.9
Subordinated notes and debentures	.4	.0	.1	.1	.2	.3	.4	.5	.6	.7	.4
Equity capital	6.9	11.5	9.5	8.6	8.1	7.7	7.2	6.8	6.5	6.2	6.5
Number of banks	14,159	728	2,066	4,694	3,365	1,764	1,051	170	149	144	28

[1] Securities held in trading accounts are included in "Other assets."
[2] Includes minority interest in consolidated subsidiaries.

Table 113. PERCENTAGES OF ASSETS AND LIABILITIES OF INSURED MUTUAL BANKS OPERATING THROUGHOUT 1979 IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979
BANKS GROUPED BY AMOUNT OF ASSETS

Asset, liability, or surplus account	All banks	Banks with total assets of—							
		Less than $10.0 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1 billion or more
Total Assets	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Cash and due from depository institutions	1.99	3.80	3.40	3.34	2.39	2.44	2.37	1.76	1.86
Currency and coin	0.29	1.03	0.54	0.55	0.46	0.38	0.34	0.33	0.23
Demand balances with commercial banks in the United States	0.55	1.90	1.09	0.87	0.86	0.86	0.61	0.47	0.47
Other balances with depository institutions	1.06	0.00	1.64	1.78	0.90	1.08	1.29	0.83	1.09
Cash items in process of collection	0.09	0.87	0.13	0.14	0.17	0.12	0.13	0.13	0.07
Securities—total	29.57	14.82	22.82	21.19	16.90	22.10	22.51	29.08	33.30
U.S. Treasury, agency, and corporation obligations	11.83	2.46	13.76	9.35	8.78	9.97	11.74	12.95	12.10
Corporate bonds	10.96	5.99	3.30	6.44	4.87	6.25	6.47	9.88	13.53
Obligations of States and political subdivisions in the U.S.	1.93	0.00	1.12	0.69	0.64	1.12	0.75	1.57	2.52
Other bonds, notes and debentures	2.11	0.82	1.94	1.05	0.92	1.46	1.06	1.80	2.62
Corporate stock—total	2.74	5.55	2.70	3.66	3.69	3.30	2.49	2.88	2.53
Bank	*0.24*	*0.20*	*0.75*	*0.53*	*0.70*	*0.49*	*0.34*	*0.28*	*0.11*
Other	*2.50*	*5.35*	*1.95*	*3.13*	*2.99*	*2.81*	*2.15*	*2.60*	*2.42*
Federal funds sold and securities purchased under agreements to resell	**1.83**	**3.38**	**2.87**	**3.29**	**2.50**	**1.91**	**2.51**	**1.92**	**1.60**
Loans, net	63.81	75.02	69.35	69.55	73.68	70.85	69.84	64.21	60.44
Real estate loans, gross	60.69	68.29	62.76	63.46	67.63	66.54	65.60	61.05	58.01
Less: Unearned income	*0.36*	*0.00*	*0.08*	*0.03*	*0.05*	*0.11*	*0.21*	*0.38*	*0.45*
Less: Allowance for possible loan losses	*0.12*	*0.00*	*0.26*	*0.15*	*0.12*	*0.13*	*0.07*	*0.14*	*0.12*
Real estate loans, net	*60.21*	*68.29*	*62.42*	*63.28*	*67.46*	*66.30*	*65.32*	*60.53*	*57.44*
Construction and land development	*1.14*	*0.60*	*0.74*	*0.82*	*1.43*	*1.66*	*1.84*	*1.44*	*0.80*
Secured by farmland	*0.03*	*0.27*	*0.59*	*0.17*	*0.25*	*0.05*	*0.02*	*0.01*	*0.01*
Secured by residential properties:									
Secured by 1- to 4-family residential properties:									
Insured by FHA or guaranteed by VA	*13.93*	*0.00*	*4.47*	*4.24*	*5.58*	*7.13*	*11.92*	*14.70*	*16.16*
Conventional	*25.65*	*60.31*	*50.68*	*51.07*	*52.32*	*46.01*	*38.11*	*23.69*	*17.73*
Secured multifamily (5 or more) residential properties:									
Insured by FHA	*1.95*	*0.00*	*0.00*	*0.00*	*0.05*	*0.10*	*0.51*	*2.01*	*2.71*
Conventional	*8.16*	*0.00*	*1.15*	*2.12*	*1.73*	*4.10*	*5.92*	*9.65*	*9.44*
Secured by nonfarm nonresidential properties	*9.83*	*7.11*	*5.13*	*5.04*	*6.28*	*7.39*	*7.28*	*9.55*	*11.16*
Other loans, gross	3.83	6.73	7.15	6.74	6.65	4.91	4.92	4.02	3.13
Less: Unearned income	*0.22*	*0.00*	*0.22*	*0.44*	*0.42*	*0.35*	*0.41*	*0.33*	*0.12*
Less: Allowance for possible loan losses	*0.01*	*0.00*	*0.00*	*0.03*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*
Other loans, net	*3.60*	*6.73*	*6.93*	*6.27*	*6.22*	*4.55*	*4.52*	*3.68*	*3.00*

Table 113. PERCENTAGES OF ASSETS AND LIABILITIES OF INSURED MUTUAL BANKS OPERATING THROUGHOUT 1979 IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979—CONTINUED
BANKS GROUPED BY AMOUNT OF ASSETS

Asset, liability, or surplus account	All banks	Banks with total assets of— Less than $10.0 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1 billion or more
Loans to financial institutions:									
To real estate investment trusts and mortgage companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To domestic commercial and foreign banks	0.16	0.00	0.29	0.05	0.01	0.10	0.07	0.06	0.22
To other financial institutions	0.03	0.00	0.00	0.00	0.00	0.05	0.00	0.01	0.04
Loans for purchasing or carrying securities (secured and unsecured):									
To brokers and dealers in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other loans for purchasing or carrying securities	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Loans to finance agricultural production (except those secured primarily by real estate)	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.00
Commercial and industrial loans (except those secured primarily by real estate)	0.32	0.07	0.47	0.25	0.30	0.26	0.31	0.19	0.38
Loans to individuals for household, family, and other personal expenditures (include purchased paper):									
Installment loans to repair and modernize residential property	0.53	2.39	0.43	0.81	0.97	0.82	0.92	0.73	0.30
Other installment loans for household, family, and other personal expenditures	1.75	2.74	3.54	3.53	3.52	1.98	2.21	1.88	1.46
Single-payment loans for household, family, and other personal expenditures	0.90	0.09	2.09	1.89	1.49	1.45	1.28	1.00	0.63
All other loans	0.14	1.44	0.32	0.21	0.34	0.24	0.13	0.15	0.10
Total net loans and securities	**93.38**	**89.84**	**92.17**	**90.74**	**92.58**	**92.95**	**92.35**	**93.29**	**93.74**
Bank premises, furniture and fixtures, capital leases, and other assets representing bank premises	0.94	2.48	0.92	1.69	1.30	1.17	1.11	1.02	0.81
Real estate owned other than bank premises	0.20	0.10	0.06	0.11	0.19	0.19	0.16	0.17	0.22
Investment in unconsolidated subsidiaries and associated companies	0.10	0.00	0.00	0.00	0.00	0.05	0.07	0.16	0.11
Other assets	1.56	0.40	0.58	0.83	1.04	1.29	1.43	1.68	1.66
Total liabilities and surplus accounts	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
Deposits—total	**89.96**	**90.42**	**90.75**	**91.20**	**90.76**	**90.32**	**90.32**	**90.36**	**89.61**
Savings and time deposits—total	88.15	90.10	90.17	89.84	89.63	89.13	88.87	88.70	87.51
Savings deposits—total	37.03	61.21	41.52	44.40	41.41	39.15	37.60	40.96	34.87
Subject to transfer by order (interest-bearing)	3.28	2.39	8.47	4.50	7.32	4.84	4.41	3.65	2.34
Other	33.75	58.82	33.05	39.90	34.09	34.31	33.19	37.30	32.53
Time deposits—total	51.12	28.89	48.65	45.44	48.22	49.98	51.27	47.74	52.64
Demand deposits—Total	1.81	0.32	0.58	1.36	1.13	1.19	1.45	1.66	2.10
Subject to transfer by order (noninterest-bearing)	1.05	0.32	0.30	1.09	1.00	0.82	0.95	0.84	1.18
Other	0.76	0.00	0.28	0.27	0.13	0.37	0.50	0.82	0.92
Miscellaneous liabilities:									
Federal funds purchased and securities sold under agreements to repurchase	1.12	0.00	0.63	0.03	0.00	0.41	0.37	0.74	1.60
Mortgage indebtedness and liability for capital leases	0.04	0.00	0.00	0.00	0.03	0.04	0.04	0.05	0.05
Other liabilities for borrowed money	1.33	0.00	0.00	0.28	0.84	1.28	1.62	1.02	1.44
Other liabilities	0.60	0.02	0.26	0.52	0.65	0.60	0.62	0.60	0.59
Total liabilities	**93.05**	**90.44**	**91.64**	**92.03**	**92.28**	**92.65**	**92.97**	**92.77**	**93.29**
Subordinated notes and debentures	**0.26**	**0.00**	**0.60**	**0.10**	**0.08**	**0.05**	**0.16**	**0.18**	**0.36**
Surplus accounts—total	**6.69**	**9.56**	**7.76**	**7.87**	**7.64**	**7.30**	**6.87**	**7.05**	**6.35**
Surplus	3.08	2.87	4.56	3.64	3.02	2.97	2.75	3.34	3.07
Undivided profits	2.83	6.69	3.07	3.39	3.56	3.38	3.39	2.89	2.55
Other surplus reserves	0.78	0.00	0.13	0.84	1.06	0.95	0.73	0.82	0.73
Number of banks	324	2	10	23	81	98	35	35	40

Table 114. DISTRIBUTION OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979
BANKS GROUPED ACCORDING TO AMOUNT OF ASSETS AND BY RATIOS OF SELECTED ITEMS TO ASSETS OR DEPOSITS

Ratios (In percent)	All banks	Banks with assets of—									
		Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Ratios of cash and due from depository institutions to total assets of—											
Less than 3.0	144	22	32	50	22	8	7	1	1	1	—
3.0 to 5.99	2,672	124	467	996	650	292	129	7	4	3	—
6.0 to 8.99	4,827	214	693	1,672	1,263	602	294	41	27	21	—
9.0 to 11.99	3,345	183	432	1,000	808	477	309	53	48	31	4
12.0 to 14.99	1,716	119	227	523	341	229	175	26	26	39	11
15.0 to 17.99	827	54	121	257	171	92	70	18	21	18	5
18.0 to 20.99	372	36	59	117	67	32	29	7	8	15	2
21.0 to 23.99	182	23	41	49	23	13	14	3	6	8	2
24.0 or more	279	55	56	64	26	19	24	15	8	8	4
Ratios of U.S. Treasury securities to total assets of—											
Less than 3.0	2,325	141	270	790	575	285	160	34	26	30	14
3.0 to 5.99	3,189	96	353	1,011	786	473	304	55	45	57	9
6.0 to 8.99	2,930	117	345	922	748	432	260	31	44	28	3
9.0 to 11.99	1,982	104	288	664	484	247	141	20	13	20	1
12.0 to 14.99	1,365	81	254	481	307	136	86	8	7	5	—
15.0 to 17.99	905	65	193	302	196	84	41	12	9	2	1
18.0 to 20.99	573	49	127	210	107	45	27	5	3	—	—
21.0 to 23.99	346	36	81	126	66	24	11	1	—	1	—
24.0 to 26.99	208	31	50	68	30	15	10	3	—	1	—
27.0 to 29.99	128	17	45	37	20	5	4	—	—	—	—
30.0 to 32.99	119	14	32	39	23	7	4	—	—	—	—
33.0 to 35.99	89	18	22	28	11	7	2	—	1	—	—
36.0 or more	205	61	68	50	18	4	1	2	1	—	—

Table 114. DISTRIBUTION OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1979—CONTINUED

BANKS GROUPED ACCORDING TO AMOUNT OF ASSETS AND BY RATIOS OF SELECTED ITEMS TO ASSETS OR DEPOSITS

Ratios (in percent)	All banks	Banks with assets of—									
		Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Ratios of obligations of states and political subdivisions total assets of—											
Zero	1,145	318	388	353	61	20	3	1	1	—	—
Less than 1.0	558	139	190	136	60	17	9	2	4	1	—
1.0 to 2.49	600	116	211	162	68	19	15	5	1	2	1
2.5 to 4.99	1,138	91	324	407	166	69	38	9	10	15	9
5.0 to 7.49	1,474	61	289	605	289	101	60	17	15	27	10
7.5 to 9.99	1,975	33	268	765	478	221	118	30	26	32	4
10.0 to 12.49	2,284	26	197	782	619	327	213	44	40	34	2
12.5 to 14.99	2,028	12	113	609	602	378	242	21	29	20	2
15.0 to 17.49	1,424	14	63	417	447	268	170	24	11	10	—
17.5 to 19.99	838	9	41	225	280	167	94	13	7	2	—
20.0 to 24.99	690	8	33	205	228	141	66	4	4	1	—
25.0 or more	210	3	11	62	73	36	23	1	1	—	—
Ratios of net loans to total assets of—											
Less than 20	143	59	25	32	16	4	4	2	1	—	—
20.0 to 24.99	111	21	38	24	17	7	4	—	—	—	—
25.0 to 29.99	212	44	50	71	28	12	5	2	—	—	—
30.0 to 34.99	346	52	82	95	65	26	21	1	2	2	—
35.0 to 39.99	596	57	114	200	115	51	36	9	6	6	2
40.0 to 44.99	1,065	88	166	347	242	103	69	23	14	12	1
45.0 to 49.99	1,632	91	248	545	366	194	118	23	17	22	8
50.0 to 54.99	2,325	103	323	711	561	329	196	31	31	36	4
55.0 to 59.99	2,989	111	380	919	751	439	266	41	42	36	4
60.0 to 64.99	2,603	89	329	917	647	351	204	23	22	16	5
65.0 to 69.99	1,611	61	238	578	408	188	100	14	11	10	3
70.0 to 74.99	590	40	101	231	135	53	23	2	2	2	1
75.0 or more	141	14	34	58	20	7	5	—	1	2	—
Ratios of total demand deposits to total deposits of—											
Less than 20	995	27	121	368	277	121	62	8	8	3	—
20.0 to 24.99	2,183	67	300	796	563	291	141	13	8	4	—
25.0 to 29.99	3,096	117	483	1,076	789	363	213	32	10	13	—
30.0 to 34.99	2,740	132	439	860	667	351	216	23	22	25	5
35.0 to 39.99	2,062	121	305	623	447	302	177	29	33	22	3
40.0 to 44.90	1,399	98	191	456	295	161	111	24	29	27	7
45.0 to 49.99	852	71	112	270	191	85	71	18	14	16	4
50.0 to 54.99	409	46	68	107	70	46	33	12	12	13	2
55.0 to 59.99	241	34	36	72	36	23	11	6	9	12	2
60.0 to 64.99	139	23	27	42	22	7	5	4	2	6	1
65.0 or more	248	94	46	58	14	14	11	2	2	3	4

Ratios of total equity capital to total assets of—											
Less than 5	243	5	13	32	50	42	48	18	14	17	4
5.0 to 5.49	341	4	12	65	77	49	65	13	21	27	8
5.50 to 5.99	628	8	31	115	154	118	107	24	31	35	5
6.00 to 6.49	945	12	64	256	242	173	135	22	16	22	3
6.50 to 6.99	1,407	21	122	409	376	247	156	33	25	15	3
7.00 to 7.49	1,702	32	196	541	482	266	145	18	10	11	1
7.50 to 7.99	1,741	51	225	607	468	253	102	13	15	4	3
8.00 to 8.49	1,563	39	245	561	405	185	104	13	6	5	—
8.50 to 8.99	1,267	63	201	475	333	126	62	5	1	1	—
9.00 to 9.49	953	60	148	404	211	84	39	4	2	1	—
9.50 to 9.99	746	51	149	304	141	71	25	1	2	2	—
10.00 to 10.49	602	44	131	230	127	44	20	—	3	3	—
10.50 to 10.99	416	32	96	156	85	31	11	4	—	1	—
11.00 to 11.49	342	42	73	132	56	21	14	2	1	—	1
11.50 to 11.99	235	34	51	88	45	12	4	—	1	—	—
12.00 or more	1,233	332	371	353	119	42	14	1	1	—	—
Ratios of total equity capital to total assets other than cash and government securities of—											
Less than 7.0	548	9	18	87	127	89	113	29	29	37	10
7.0 to 8.49	1,943	18	93	442	522	398	298	44	56	63	9
8.5 to 9.99	3,219	36	253	1,010	960	554	280	53	39	29	5
10.0 to 11.49	2,873	76	375	1,069	773	352	184	22	12	8	2
11.5 to 12.99	1,939	79	327	785	445	187	92	11	8	4	1
13.0 to 14.49	1,249	81	288	509	230	89	41	6	1	3	1
14.5 to 15.99	719	59	175	281	140	35	23	3	3	—	—
16.0 to 17.49	492	65	144	180	71	22	9	—	1	—	—
17.5 to 18.99	316	40	116	107	35	12	5	1	—	—	—
19.0 to 20.49	212	42	62	79	19	9	1	—	—	—	—
20.5 to 21.99	144	32	53	38	12	6	3	—	—	—	—
22.0 or more	710	293	224	141	37	11	2	2	—	—	—
Number of banks	14,364	830	2,128	4,728	3,371	1,764	1,051	171	149	144	28

INCOME OF INSURED BANKS

Table 115. Income of insured commercial banks in the United States (States and other areas), 1974—1979

Table 116. Ratios of income of insured commercial banks in the United States (States and other areas), 1974—1979

Table 117. Income of insured commercial banks in the United States (States and other areas), 1979
Banks grouped by class of bank

Table 118. Income of insured commercial banks operating throughout 1979 in the United States (States and other areas)
Banks grouped by amount of assets

Table 119. Ratios of income of insured commercial banks operating throughout 1979 in the United States (States and other areas)
Banks grouped according to amount of assets

Table 120. Income of insured mutual savings banks in the United States (States and other areas), 1974—1979

Table 121. Ratios of income of insured mutual savings banks in the United States (States and other areas), 1974—1979

The income data received and published by the Corporation relate to commercial and mutual savings banks insured by the Corporation.

Commercial banks

Banks having total assets of $25 million or more are required to report consolidated income accounts on an accrual basis. Where the results would not be significantly different, certain accounts may be reported on a cash basis. Smaller banks continue to have the option of submitting their reports on a cash or an accrual basis, except that unearned income on loans and income taxes must be reported on a current accrual basis.

Prior to 1976, insured banks were required to submit a consolidated Report of Income, including all majority-owned domestic premises subsidiaries and other nonbank subsidiaries that were significant according to certain tests. Beginning in 1976, the consolidated income report must also include all majority-owned Edge all majority-owned significant forand Agreement Corporations, and eign subsidiaries and associated companies.

Banks were required to report income and expenses more frequently beginning in 1976. Banks having total assets of $300 million or more submit quarterly statements and other insured banks submit semiannual reports. In this report, income data are included for all insured banks operating at the end of the respective years, unless indicated otherwise. In addition, when appropriate, adjustments have been made for banks in operation during part of the year but not at the end of the year.

Several changes were made in 1976 in the format of the income reports submitted by banks, mainly involving additional separate items on the face of the report. Those changes are indicated in several historical data tables, with explanatory notes where necessary.

In 1976, the method used for determining "provision for possible loan losses" was changed significantly. Also, beginning in 1976, "memoranda" data in table 115 and elsewhere on charge-offs and recoveries to loan loss reserves include also the gross charge-offs and recoveries on loans by banks not on a reserve basis of accounting (see p. 188).

In December 1978 an abbreviated Report of Income was instituted for banks with total consolidated assets of less than $100 million.

"Applicable income taxes" on income before securities gains or losses is an estimate of the tax liability that a bank would incur if its taxes were based solely on operating income and expenses; that is, if there were no security gains or losses, no extraordinary items, etc. The amount reported by each bank consists of Federal, State and local, and foreign income taxes, estimated using the tax rates applicable to the reporting bank. Income taxes currently payable, and deferred income taxes, are included.

The memoranda item "total provision for income taxes" includes applicable taxes on operating income, securities gains and losses and extraordinary items, and deferred income taxes resulting from "timing" differences. For banks generally the transfers to reserve for bad debts have exceeded the provision for loan losses and consequently have tended to reduce tax liability. (Since enactment of the Tax Reform Act of 1969, additions to loan loss reserves for Federal tax purposes have been subject to a schedule of limitations that will eventually put these reserves on a current experience basis.)

Mutual savings banks

For a discussion of the report of income and expenses for mutual savings banks prior to 1971, see the 1951 *Annual Report*, pp. 50-52.

Beginning December 31, 1971, income and expenses for mutual savings banks are reported on a consolidated basis in the same manner as required of commercial banks, including all domestic branches, domestic bank premises subsidiaries, and other significant nonbanking domestic subsidiaries.

Beginning in 1972, banks with total resources of $25 million or more are required to prepare their reports on the basis of accrual accounting. All banks are required to report income taxes on an accrual basis.

Under operating income, certain income from securities formerly in the "other" category are shown separately beginning in 1971. Income from U.S. Treasury securities is combined with income from U.S. Government agency and corporation securities. Somewhat fewer items are detailed under operating expenses. Beginning in 1971, actual net loan losses (charge-offs less recoveries) are included as an expense item in the operating section of the report (see discussion below). In 1970 and prior years (table 120), the amounts shown for this expense item were "recoveries credited to valuation adjustment provisions on real estate mortgage loans" less the "realized losses charged to valuation adjustment provisions on [these] loans," which were reported in those years in the memoranda section. Beginning in 1979, the amount to be expensed as a provision is based on management discretion and is expected to be reflective of the adequacy of the existing valuation reserve and the current condition of the loan portfolio.

The nonoperating sections of the report were condensed in 1971, with realized gains and losses on securities, mortgage loans, and real estate reported "net" rather than in separate sections and captions as before. In 1979, these items were no longer required to be reported separately. They are to be included in with other operating income or other operating expenses. Detailed data formerly reported on reconcilement of valuation adjustment provisions were almost entirely eliminated, except for a reconciliation of surplus. For additional discussion of reporting changes in 1979, (see p. 160).

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.

REPORTING OF LOSSES AND RESERVES FOR LOSSES ON LOANS, 1948 — 1979

Commercial banks

Use of the reserve method of loan accounting was greatly encouraged when, in 1947, the Internal Revenue Service set formal standards for loan loss transfers to be permitted for Federal tax purposes. In their reports submitted to the Federal bank supervisory agencies prior to 1948, insured commercial banks included in nonoperating income the amounts of recoveries on loans (applicable to prior charge-offs for losses) which included, for banks using the reserve method, transfers from loan loss reserves. Direct charge-offs and losses on loans, and transfers to reserves were included together in nonoperating expenses. Banks using the reserve method were not required to report separately their actual losses, that is, charges against loan loss reserves. (In statements of condition prior to 1948, insured banks reported loans on a net basis only, after allowance for loan loss reserves. Beginning with the June 30, 1948 report, banks were required to report gross loans, with total valuation reserves, those set up pursuant to Internal Revenue Service regulations, and other reserves shown separately. However, instalment loans ordinarily continued to be reported net if the instalment payments were applied directly to the reduction of the loan.)

Beginning with the year 1948, the income reports were revised to show separately, in a memoranda section, the losses charged to reserves. These items continued to be combined in the nonoperating expense section until 1961. Recoveries credited to reserves were also itemized in the memoranda section beginning in 1948, as were the amounts transferred to and from reserves during the year. Each of these debits and credits was segregated as to reserves set up pursuant to IRS regulations, and other reserves. Losses and recoveries, and transfers to and from reserves, but not the specific tax-related transfers, were separately reported in the Corporation's published statistics.

Several important revisions were made in the format of the income reports of commercial banks in 1969. A new entry entitled "provisions for loan losses" was included under operating expenses. This item included actual loan losses (charge-offs less recoveries) during the year or, at the option of the bank, an amount derived by applying the average loan loss percentage for the five most recent years to the average amount of loans during the current year. Banks had the option also of providing a larger amount in any year than the amount indicated by the formula. Beginning in 1976, required use of the formulas was discontinued. Banks are instructed to expense an amount which in the judgment of bank management will maintain an adequate reserve, and to provide a fully reviewable record for bank examination purposes of the basis for the determination of the loan-loss provision.

Also beginning in 1976, banks not on a reserve basis report gross charge-offs and recoveries; the difference—net losses—is reported as the "provision for loan losses" in operating expenses. Banks continue to report all transfers to and from reserves in the memoranda section of the income statement, but this detailed information is not included in the tables to follow.

Mutual savings banks

While mutual savings banks reported loan losses and transfers to loss reserves prior to 1951, the Corporation's published statistics did not show these data separately, as was the case also for recoveries and transfers from reserves. When the reporting form was revised extensively in 1951, these various nonoperating expenses were itemized, and a memoranda section was added to show also the losses and recoveries in reserve accounts. "Realized" losses (and recoveries) for which no provision had been made, and transfers were included in the nonoperating expense (income) section, while direct write-downs and other loan losses for which provision had been made, were reported separately in a memoranda account.

Following 1951, the loan loss section of the reports of condition and income and expense remained unchanged until 1971. Beginning in 1971, the income report was revised in a manner similar to changes in 1969 applicable to commercial banks, to show actual net loan losses as operating expenses. (Mutual savings banks did not have the option available to commercial banks of reporting losses based on recent years' average experience.) At the same time, all valuation reserves were merged into surplus accounts on statements of condition submitted to the Federal supervisory agencies. In 1979, loan loss reporting was again revised in a manner consistent with reporting by commercial banks. The provision expense is determined by bank management. The valuation reserves on real estate loans and other loans are shown as separate deductions to the asset categories on the Report of Condition.

Table 115. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979

(Amounts in thousands of dollars)

Income item	1974	1975	1976[1]	1977[1]	1978[1]	1979
Operating income—total	**68,160,779**	**66,558,502**	**80,663,853**	**90,357,541**	**113,581,682**	**150,282,353**
Interest and fees on loans	47,138,740	43,379,504	51,645,260	58,990,506	76,182,124	102,192,459
Interest on balances with depository institutions[2]	......	......	4,486,655	4,887,917	6,712,575	10,669,726
Income on federal funds sold and securities purchases under agreements to resell in domestic offices	3,712,304	2,294,621	1,984,757	2,476,313	3,682,320	6,126,340
Interest on U.S. Treasury securities and on obligations of other U.S. Government agencies and corporations[3]	5,459,834	6,789,577	8,391,374	8,863,977	9,384,132	10,686,277
Interest on obligations of States and political subdivisions of the U.S.[3]	4,453,876	4,918,518	5,134,676	5,365,327	6,038,829	6,955,222
Income from all other securities[3]	467,873	533,244	856,053	968,672	1,094,853	1,198,071
Income from direct lease financing[2]	......	......	534,254	699,273	861,989	1,073,254
Income from fiduciary activities	1,506,206	1,601,968	1,794,732	1,980,395	2,139,266	2,375,711
Service charges on deposit accounts in domestic offices	1,459,858	1,555,360	1,635,463	1,806,509	2,048,989	2,528,752
Other service charges, commissions, and fees	1,408,525	1,653,549	2,182,927	2,408,698	2,937,435	3,641,607
Other income[3]	2,553,563	3,832,161	2,017,702	1,909,954	2,499,170	2,834,934
Operating expenses—total	**58,910,355**	**57,582,040**	**70,750,168**	**70,791,583**	**98,480,372**	**132,391,165**
Salaries and employee benefits	11,586,433	12,686,720	14,752,297	16,346,067	18,743,800	21,562,167
Interest on time certificates of deposit of $100,000 or more issues by domestic offices[4]	......	......	7,111,054	6,763,105	11,736,511	18,178,650
Interest on deposits in foreign offices[2]	......	......	8,749,673	10,215,971	14,558,371	24,523,807
Interest on other deposits	27,888,772	26,245,936	19,143,238	21,832,936	23,918,087	29,185,414
Expense of federal funds purchased and securities sold under agreements to repurchase in domestic offices	5,985,504	3,322,993	3,311,741	4,542,669	7,264,001	12,356,285
Interest on demand notes issued to the U.S. Treasury and other borrowed money	917,638	377,195	667,197	818,374	1,457,931	3,167,247
Interest on subordinated notes and debentures	283,203	294,098	344,952	392,274	448,488	501,470
Occupancy expense of bank premises, net, and furniture and equipment expense	2,052,345	2,324,644	2,764,804	3,049,121	5,584,768	6,281,496
Provision for possible loan losses	2,286,132	3,612,410	3,691,378	3,301,041	3,524,704	3,785,642
Other operating expenses	6,549,607	7,185,305	8,492,452	9,599,250	11,243,711	12,848,987
Income before income taxes and securities gains or losses	**9,250,424**	**8,976,462**	**9,913,685**	**11,565,958**	**15,101,310**	**17,891,188**
Applicable income taxes	**2,084,028**	**1,792,696**	**2,290,772**	**2,831,871**	**4,162,112**	**4,742,118**
Income before securities gains or losses	**7,166,396**	**7,183,766**	**7,622,913**	**8,734,087**	**10,939,198**	**13,149,070**
Securities gains or losses, gross	**−161,247**	**34,376**	**312,267**	**141,674**	**−447,124**	**−649,685**
Applicable income taxes	−74,195	−2,690	118,233	43,189	−222,230	−299,727
Securities gains or losses, net	−87,052	37,066	194,034	98,485	−224,894	−349,958
Income before extraordinary items	**7,079,344**	**7,220,832**	**7,816,947**	**8,832,572**	**10,714,304**	**12,799,112**
Extraordinary items, gross	**17,877**	**46,823**	**28,104**	**55,082**	**43,737**	**40,001**
Applicable income taxes	5,957	13,044	1,774	8,249	−1,493	625
Extraordinary items, net	11,920	33,779	26,330	46,833	45,230	39,375
Net income	**7,091,264**	**7,254,611**	**7,843,277**	**8,879,405**	**10,759,534**	**12,838,487**

Table 115. INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979—CONTINUED

(Amounts in thousands of dollars)

Income item	1974	1975	1976[1]	1977[1]	1978[1]	1979
Memoranda						
Dividends declared on equity capital—total	2,768,104	3,032,444	3,036,222	3,304,789	3,721,926	4,455,293
Cash dividends declared on common stock	*2,765,674*	*3,030,230*	*3,033,628*	*3,301,525*	*3,718,211*	*4,447,484*
Cash dividends declared on preferred stock	*2,430*	*2,214*	*2,594*	*3,264*	*3,715,7,809*	
Provision for income taxes—total	1,759,739	1,727,041	2,410,779	2,883,309	3,938,389	4,443,017
U.S. Federal income taxes	*1,357,934*	*1,225,927*	*1,371,638*	*1,773,219*	*2,537,962*	*2,653,069*
U.S. State and local income taxes	*402,345*	*501,114*	*491,712*	*525,833*	*656,274*	*902,579*
Foreign income taxes[2]	......	......	*547,429*	*584,257*	*744,153*	*887,369*
Net loan losses or recoveries—total	−1,956,931	−3,242,830	−3,503,246	−2,797,105	−2,496,977	−2,564,260
Recoveries on loans	*461,350*	*547,380*	*687,401*	*813,900*	*1,074,435*	*1,198,985*
Losses on loans	*−2,418,281*	*−3,790,210*	*−4,190,647*	*−3,611,005*	*3,571,412*	*3,763,245*
Average assets, liabilities, and equity capital[5]						
Assets—total	**871,394,495**	**924,946,738**	**1,123,469,176**	**1,249,961,111**	**1,403,493,088**	**1,584,170,199**
Cash and due from depository institutions	122,224,773	126,838,007	194,312,500	218,357,890	248,632,890	283,213,780
U.S. Treasury securities and obligations of other U.S. agencies and corporations[3]	52,822,043	65,992,148	88,520,749	96,664,647	131,799,055	133,287,094
Obligations of states and political subdivisions	94,524,535	98,953,279	102,733,896	108,429,263	117,331,876	127,770,123
Other securities[3]	35,256,603	39,203,344	51,110,347	54,293,953	20,129,242	23,079,973
Net loans[6]	519,572,131	536,061,723	632,696,842	709,816,228	764,772,496	922,211,128
All other assets	46,994,410	57,898,237	54,094,842	62,399,129	74,589,592	94,608,101
Liabilities and equity capital—total	**871,394,495**	**924,946,738**	**1,123,469,176**	**1,249,961,111**	**1,403,493,088**	**1,584,170,199**
Total deposits	710,029,868	756,948,586	944,238,914	1,043,478,575	1,157,408,490	1,276,968,868
Demand deposits	*307,363,186*	*313,836,391*	*320,488,016*	*347,903,682*	*377,305,796*	*393,573,301*
Time and savings deposits	*402,666,682*	*443,112,195*	*474,499,317*	*519,939,386*	*592,066,952*	*633,107,213*
Deposits in foreign offices	......	......	*149,251,581*	*175,635,507*	*188,034,718*	*250,288,354*
Subordinated notes and debentures	4,204,891	4,328,561	4,865,972	5,500,132	5,952,193	6,202,587
Other borrowings and all other liabilities	100,573,737	101,918,202	105,647,909	125,239,154	156,087,365	208,542,197
Total equity capital	56,585,999	61,751,389	68,716,381	75.743,250	84,028,113	92,456,547
Number of employees on payroll (end of period)	1,160,585	1,226,415	1,255,025	1,320,598	1,319,828	1,410,816
Number of banks (end of period)	14,228	14,384	14,411	14,412	14,391	14,364

[1]Data are from fully consolidated reports on income, including domestic and foreign offices.
[2]Figures not available before 1976.
[3]Securities held in trading accounts are included in "All other assets", income from these securities is included in "Other income."
[4]Included in "Interest on other deposits" before 1976.
[5]Averages of amounts reported at beginning, middle, and end of year, 1967, 1977, 1978 averages are based on consolidated reports, domestic and foreign.
[6]For years before 1976, data are gross loans. Includes federal funds sold.

Table 116. RATIOS OF INCOME OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979

Income item	1974	1975	1976[1]	1977[1]	1978[1]	1979
Amounts per $100 of operating income						
Operating income—total	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**
Interest and fees on loans[2]	74.60	68.62	66.49	68.03	70.31	72.08
Interest on balances with depository institutions[3]	......	......	5.56	5.41	5.91	7.10
Interest on U.S. Treasury securities and on obligations of other U.S. Government agencies and corporations	5.05	6.67	7.41	7.08	8.26	7.11
Interest on obligations of States and political subdivisions	6.53	7.39	6.37	5.94	5.32	4.63
Income from all other securities	3.65	4.33	4.05	3.80	.96	.80
Income from fiduciary activities	2.21	2.41	2.23	2.19	1.88	1.58
Service charges on deposit accounts in domestic offices	2.14	2.34	2.03	2.00	1.80	1.68
Other service charges, commissions, and fees	2.07	2.48	2.71	2.67	2.59	2.42
Other operating income	3.75	5.76	3.16	2.88	2.96	2.60
Operating expenses—total	**86.43**	**86.51**	**87.71**	**87.20**	**86.70**	**88.09**
Salaries and employee benefits	17.00	19.06	18.29	18.09	16.50	14.35
Interest on deposits in domestic offices	40.92	39.43	32.55	31.65	31.39	31.51
Interest on deposits in foreign offices[3]	......	......	10.85	11.31	12.82	16.32
Interest on demand notes issued to the U.S. Treasury and other borrowed money[4]	10.54	6.00	5.36	6.37	8.07	10.66
Occupancy expense of bank premises, net, and furniture and equipment expense	5.01	5.79	5.56	5.51	4.92	4.18
Provision for possible loan losses	3.35	5.43	4.57	3.65	3.10	2.52
Other operating expenses	9.61	10.80	10.53	10.62	9.90	8.55
Income before income taxes and securities gains or losses	**13.57**	**13.49**	**12.29**	**12.80**	**13.30**	**11.91**
Amounts per $100 of total assets[5]						
Operating income—total	7.82	7.20	7.18	7.23	8.09	9.49
Operating expenses—total	6.76	6.23	6.30	6.30	7.02	8.36
Income before income taxes and securities gains or losses	1.06	.97	.88	.93	1.08	1.13
Net income	.81	.78	.70	.71	.77	.81
Recoveries credited to allowance	......	......	......	......	.08	.08
Losses charged to allowance	......	......	......	......	−.25	−.24
Provision for possible loan losses	......	......	......	......	.25	.24
Amounts per $100 of total equity capital[5]						
Net income	12.53	11.75	11.41	11.72	12.80	13.89
Cash dividends declared on common stock	4.89	4.91	4.42	4.36	4.42	4.81
Net change in capital accounts (less cash dividends on common and preferred stock)	7.64	6.84	6.99	7.36	14.79[6]	16.53
Special ratios[5]						
Income on loans per $100 of loans[2]	9.79	8.52	8.48	8.66	9.76	11.64
Income on U.S. Treasury and other U.S. Government agency and corporation securities per $100 of those securities	6.51	6.73	6.75	6.62	7.12	8.02
Income on obligations of states and political subdivisions per $100 of those obligations	4.71	4.97	5.00	4.95	4.80	5.44
Service charges on demand deposits in domestic offices per $100 of those deposits	.47	.50	.51	.52	.54	.64
Interest paid on time and savings deposits in domestic offices per $100 of those deposits	6.93	5.92	5.53	5.50	6.02	7.48
Number of banks at end of period	14,228	14,384	14,411	14,412	14,391	14,364

[1]Based on consolidated (including foreign) reports of income—see table 115, note 1.
[2]Includes federal funds sold.
[3]Not available before 1976.
[4]Includes interest on federal funds purchased, subordinated notes and debentures, and other borrowed money.
[5]Ratios are based on averages of assets and liabilities—see table 115 notes 5 and 6.
[6]Includes all changes; prior to 1978 the ratio represents changes due to net income only.

Table 117. INCOME OF ALL INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1979
BANKS GROUPED BY CLASS OF BANK
(Amounts in thousands of dollars)

Income item	Total	Members F.R. System		Non-members F.R. System	Operating throughout the year	Operating less than full year
		National	Member			
Operating income—total	**150,282,353**	**89,886,053**	**29,026,821**	**31,369,479**	**150,200,882**	**81,471**
Interest and fees on loans	102,192,459	61,801,854	19,454,915	20,935,690	102,152,334	40,125
Interst on balances with depository institutions	10,669,726	6,931,224	3,142,851	595,651	10,662,928	6,798
Income on federal funds sold and securities purchased under agreements to resell in domestic offices	6,126,340	3,551,158	999,274	1,575,908	6,106,476	19,864
Interest on U.S. Treasury securities and on oblications of other U.S. Government agencies and corporations	10,686,277	5,367,188	1,571,506	3,747,583	10,679,116	7,161
Interest on obligations of states and political subdivisions	6,955,222	3,748,216	1,146,880	2,060,126	6,952,418	2,804
Income from all other securities	1,198,071	754,858	232,966	210,247	1,197,133	938
Income from direct lease financing	1,073,254	730,483	255,830	86,941	1,073,247	7
Income from fiduciary activities	2,375,711	1,345,019	763,524	267,168	2,375,710	1
Service charges on deposit accounts in domestic offices	2,528,752	1,316,051	291,667	921,034	2,526,993	1,759
Other service charges commissions, and fees	3,641,607	2,453,021	556,801	631,785	3,640,466	1,141
Other operating income	2,834,934	1,886,981	610,607	337,346	2,834,061	873
Operating expenses—total	**132,391,165**	**79,725,473**	**26,089,581**	**26,576,111**	**132,308,780**	**82,385**
Salaries and employee benefits	21,562,167	12,403,664	3,718,173	5,440,330	21,540,330	21,837
Interest on time certificates of deposit of $100,000 or more issued by domestic offices	18,178,650	10,723,460	3,594,811	3,860,379	18,164,657	13,993
Interest on deposits in foreign offices	24,523,807	16,903,529	7,350,364	269,914	24,523,807	0
Interest on other deposits	29,185,414	15,737,040	3,434,404	10,013,970	29,170,579	14,835
Expense of federal funds purchased and securities sold under agreement to repurchase in domestic offices	12,356,285	8,498,431	3,051,096	806,758	12,355,601	684
Interest on demand notes issued to the U.S. Treasury and other borrowed money	3,167,247	2,014,743	963,284	189,220	3,166,886	361
Interest on subordinated notes and debentures	501,470	265,383	99,526	136,561	501,451	19
Occupancy expense of bank premises, net, and furniture and equipment expense	6,281,496	3,571,282	1,135,114	1,575,100	6,274,045	7,451
Provision for possible loan loss	3,785,642	2,251,734	677,863	856,045	3,782,988	2,654
Other operating expenses	12,848,987	7,356,207	2,064,946	3,427,834	12,828,436	20,551
Income before income taxes and securities gains or losses	**17,891,188**	**10,160,580**	**2,937,240**	**4,793,368**	**17,892,102**	**−914**
Applicable income taxes	**4,742,118**	**2,753,735**	**890,572**	**1,097,811**	**4,741,365**	**753**
Income before securities gains or losses	**13,149,070**	**7,406,845**	**2,046,668**	**3,695,557**	**13,150,737**	**−1,667**
Securities gains (losses), gross	−649,685	−349,383	−135,476	−164,826	−649,728	43
Applicable income taxes	−299,727	−163,240	−70,702	−65,785	−299,731	4
Securities gains (losses), net	−349,958	−186,143	−64,774	−99,041	−349,997	39

Income item	Total	Members F.R. System		Non-Members F.R. System	Operating throughout the year	Operating less than full year
		National	Member			
Income before extraordinary items	**12,799,112**	**7,220,702**	**1,981,894**	**3,596,516**	**12,800,740**	**−1,628**
Extraordinary items, gross	**40,001**	**27,920**	**−2,292**	**14,376**	**39,990**	**9**
Applicable income taxes	626	1,957	−1,429	98	625	1
Extraordinary items, net	39,375	25,963	−866	14,278	39,365	10
Net Income	**12,838,487**	**7,246,665**	**1,981,028**	**3,610,794**	**12,840,105**	**−1,618**
MEMORANDA						
Dividends declared on equity capital—total	**4,455,293**	**2,649,709**	**828,006**	**977,578**	**4,455,170**	**123**
Cash dividends declared on common stock	*4,447,484*	*2,648,199*	*827,770*	*971,515*	*4,447,361*	*123*
Cash dividends declared on preferred stock	*7,809*	*1,510*	*236*	*6,063*	*7,809*	*0*
Provision for income taxes—total	**4,443,017**	**2,592,452**	**818,441**	**1,032,124**	**4,442,259**	**758**
U.S. Federal income taxes	*2,653,069*	*1,442,452*	*366,988*	*843,629*	*2,652,558*	*511*
U.S. States and local income taxes	*902,579*	*437,592*	*282,775*	*182,212*	*902,332*	*247*
Foreign income taxes	*887,369*	*712,408*	*168,678*	*6,283*	*887,369*	*0*
Net loan losses (recoveries)—total	**−2,564,260**	**−1,539,866**	**−412,097**	**−612,297**	**−2,563,817**	**−443**
Recoveries credited to allowance	*1,198,985*	*756,619*	*205,372*	*236,994*	*1,198,765*	*220*
Losses charged to allowance	*3,763,245*	*2,296,485*	*617,469*	*849,291*	*3,762,582*	*663*
Number of full-time equivalent employees at end of period	1,410,816	786,054	216,402	408,360	1,408,279	2,537
Number of banks	14,364	4,448	977	8,939	14,159	205

Table 118. INCOME OF ALL INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1979 IN THE UNITED STATES (STATES AND OTHER AREAS)
BANKS GROUPED BY AMOUNTS OF ASSETS
(Amounts in thousands of dollars)

Income item	All banks	Banks with assets of									
		Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Operating income—total	**150,200,882**	**229,698**	**1,329,299**	**6,709,546**	**10,218,177**	**10,561,366**	**14,564,801**	**5,843,893**	**8,874,771**	**26,621,702**	**65,247,629**
Interest and fees on loans	102,152,334	132,732	823,076	4,379,059	6,838,603	7,177,002	9,891,404	3,848,478	5,973,930	18,022,378	45,065,672
Interest on balances with depository institutions	10,662,928	2,754	13,943	58,064	84,474	84,290	127,325	87,009	189,421	1,271,845	8,743,803
Income on federal funds sold and securities purchased under agreements to resell in domestic offices	6,106,476	22,358	102,497	417,529	545,361	511,205	701,165	346,901	437,111	1,160,325	1,862,024
Interest on U.S. Treasury securities and on obligations of other U.S. Government agencies and corporations	10,679,116	50,779	249,387	968,938	1,292,054	1,196,080	1,582,703	633,315	805,291	1,938,607	1,961,962
Interest on obligations of states and political subdivisions	6,952,418	5,309	51,373	409,982	754,634	818,898	1,118,584	395,236	563,042	1,383,985	1,451,375
Income from all other securities	1,197,133	1,329	6,869	28,774	46,720	56,937	70,527	43,342	79,796	123,722	739,117
Income from direct lease financing	1,073,247	26	491	4,635	9,753	19,852	34,317	26,018	69,553	186,156	722,446
Income from fiduciary activities	2,375,710	567	583	27,979	30,508	84,661	213,819	108,465	192,640	684,514	1,031,974
Service charges on deposit accounts in domestic offices	2,526,993	6,784	41,225	223,751	333,323	322,034	373,607	136,929	205,339	463,996	420,005
Other service charges, commissions, and fees	3,640,466	4,607	26,837	130,040	191,467	189,736	298,124	152,306	239,748	830,024	1,577,577
Other operating income	2,834,061	2,453	13,018	60,795	91,280	100,671	153,226	65,894	118,900	556,150	1,671,674
Operating expenses—total	**132,308,780**	**190,221**	**1,102,458**	**5,524,174**	**8,462,138**	**8,885,794**	**12,489,490**	**5,078,158**	**7,813,488**	**23,842,090**	**58,920,769**
Salaries and employee benefits	21,540,330	54,535	266,995	1,196,918	1,716,726	1,780,268	2,456,966	987,827	1,559,431	4,170,215	7,350,449
Interest on time certificates of deposit of $100,000 or more issued by domestic offices	18,164,657	8,854	65,280	409,132	813,059	1,085,137	1,931,312	887,537	1,365,699	4,462,961	7,135,686
Interest on deposits in foreign offices	24,523,807	0	0	0	0	0	4,668	12,055	159,772	1,604,374	22,742,938
Interest on other deposits	29,170,579	74,582	493,817	2,554,504	3,896,113	3,763,523	4,635,451	1,537,892	2,057,023	4,710,905	5,446,769
Expense of federal funds purchased and securities sold under agreement to repurchase in domestic offices	12,355,601	744	6,891	46,351	95,265	188,569	586,353	441,026	799,133	3,494,362	6,696,907
Interest on demand notes issued to the U.S. Treasury and other borrowed money	3,166,886	264	2,167	21,595	50,628	75,609	126,737	57,710	109,072	460,318	2,262,786
Interest on subordinated notes and debentures	501,451	111	951	9,854	22,785	32,820	62,719	27,263	51,537	134,309	159,102
Occupancy expense of bank premises, net, and furniture and equipment expense	6,274,045	12,281	66,145	316,937	480,917	524,143	766,132	322,279	511,931	1,257,311	2,015,969
Provision for possible loan loss	3,782,988	7,758	40,963	188,159	268,816	275,097	354,944	151,863	240,926	843,807	1,410,655
Other operating expenses	12,828,436	31,092	159,249	780,724	1,117,829	1,160,628	1,564,208	652,706	958,964	2,703,528	3,699,508
Income before income taxes and securities gains or losses	**17,892,102**	**39,477**	**226,841**	**1,185,372**	**1,756,039**	**1,675,572**	**2,075,311**	**765,735**	**1,061,283**	**2,779,612**	**6,326,860**
Applicable income taxes	**4,741,365**	**7,890**	**46,811**	**267,439**	**405,291**	**370,689**	**423,351**	**156,112**	**218,037**	**575,986**	**2,269,759**

Income before securities gains or losses	**13,150,737**	**31,587**	**180,030**	**917,933**	**1,350,748**	**1,304,883**	**1,651,960**	**609,623**	**843,246**	**2,203,626**	**4,057,101**
Securities gains (losses), gross	**−649,728**	**−837**	**−5,641**	**−33,629**	**−49,953**	**−54,023**	**−68,355**	**−30,971**	**−36,198**	**−186,854**	**−183,265**
Applicable income taxes	−299,731	−6	−1,272	−9,065	−17,091	−21,648	−31,523	−15,179	−17,528	−88,879	−97,540
Securities gains (losses), net	−349,997	−831	−4,369	−24,564	−32,864	−32,375	−36,832	−15,792	−18,670	−97,975	−85,725
Income before extraordinary items	**12,800,740**	**30,756**	**175,661**	**893,369**	**1,317,884**	**1,272,508**	**1,615,128**	**593,831**	**824,576**	**2,105,651**	**3,971,376**
Extraordinary items, gross	**39,990**	**12**	**297**	**2,246**	**2,891**	**6,029**	**17,219**	**7,463**	**3,624**	**209**	**0**
Applicable income taxes	625	4	56	−24	69	−306	2,175	501	474	−2,324	0
Extraordinary items, net	39,365	8	241	2,270	2,822	6,335	15,044	6,962	3,150	2,533	0
Net income	**12,840,105**	**30,764**	**175,902**	**895,639**	**1,320,706**	**1,278,843**	**1,630,172**	**600,793**	**827,726**	**2,108,184**	**3,971,376**
Memoranda											
Dividends declared on equity capital—total	**4,455,170**	**6,916**	**34,143**	**192,670**	**322,194**	**374,441**	**553,470**	**207,039**	**320,709**	**917,950**	**1,525,638**
Cash dividends declared on common stock	*4,447,361*	*6,916*	*34,108*	*192,336*	*321,688*	*373,637*	*552,454*	*203,805*	*319,487*	*917,292*	*1,525,638*
Cash dividends declared on preferred stock	*7,809*	*0*	*35*	*334*	*506*	*804*	*1,016*	*3,234*	*1,222*	*658*	*0*
Provision for income taxes—total	**4,442,259**	**7,888**	**45,595**	**258,350**	**388,269**	**348,735**	**394,003**	**141,434**	**200,983**	**484,783**	**2,172,219**
U.S. Federal income taxes	*2,652,558*	*6,787*	*39,084*	*224,728*	*339,610*	*300,787*	*329,825*	*118,514*	*153,283*	*334,226*	*805,713*
U.S. state and local income taxes	*902,332*	*1,101*	*6,511*	*33,622*	*48,558*	*47,599*	*64,178*	*22,910*	*45,407*	*107,199*	*525,247*
Foreign income taxes	*887,369*	*0*	*0*	*0*	*101*	*348*	*0*	*10*	*2,293*	*43,358*	*841,259*
Net loan losses (recoveries)—total	**−2,563,817**	**−5,691**	**−30,371**	**−136,685**	**−194,577**	**−200,152**	**−255,207**	**−119,394**	**−178,086**	**−597,566**	**−846,088**
Recoveries credited to allowance	*1,198,765*	*2,495*	*14,347*	*62,884*	*88,665*	*87,723*	*102,575*	*48,748*	*67,215*	*247,566*	*476,547*
Losses charged to allowance	*3,762,582*	*8,186*	*44,718*	*199,569*	*283,242*	*287,875*	*357,782*	*168,142*	*245,301*	*845,132*	*1,322,635*
Number of full-time equivalent employees at end of period	1,408,279	4,043	19,088	86,494	127,138	132,183	194,059	72,430	110,006	273,921	388,917
Number of banks	14,159	728	2,066	4,694	3,365	1,764	1,049	170	148	142	33

Table 119. RATIOS OF INCOME OF ALL INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1979 IN THE UNITED STATES (STATES AND OTHER AREAS)
BANKS GROUPED BY AMOUNT OF ASSETS

Income item	All banks	Banks with assets of—									
		Less than $5 million	$5.0 million to $9.9 million	$10.0 million to $24.9 million	$25.0 million to $49.9 million	$50.0 million to $99.9 million	$100.0 million to $299.9 million	$300.0 million to $499.9 million	$500.0 million to $999.9 million	$1.0 billion to $4.9 billion	$5.0 billion or more
Amounts per $100 of operating income											
Operating income—total	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**
Interest and fees on loans	68.01	57.78	61.92	65.26	66.92	67.95	67.91	65.85	67.32	67.70	69.08
Interest on balances with depository institutions	7.10	1.20	1.05	.87	.83	.80	.87	1.49	2.13	4.78	13.40
Income on federal funds sold and securities purchased under agreements to resell in domestic offices	4.07	9.73	7.71	6.22	5.34	4.84	4.81	5.94	4.93	4.36	2.85
Interest on U.S. Treasury securities and on obligations of other U.S. Government agencies and corporations	7.11	22.11	18.76	14.44	12.64	11.33	10.87	10.84	9.08	7.28	3.01
Interest on obligations of states and political subdivisions	4.63	2.31	3.86	6.11	7.39	7.75	7.68	6.76	6.34	5.20	2.22
Income from all other securities	.80	.58	.52	.43	.46	.54	.48	.74	.90	.46	1.13
Income from fiduciary activities	1.58	.25	.04	.42	.30	.80	1.47	1.86	2.17	2.57	1.58
Service charges on deposit accounts in domestic offices	1.68	2.95	3.10	3.33	3.26	3.05	2.57	2.34	2.31	1.74	.64
Other service charges, commissions, and fees	2.42	2.01	2.02	1.94	1.87	1.80	2.05	2.61	2.70	3.12	2.42
Other operating income	2.60	1.08	1.02	.98	.99	1.14	1.29	1.57	2.12	2.79	3.67
Operating expenses—total	**88.09**	**82.81**	**82.94**	**82.33**	**82.81**	**84.13**	**85.75**	**86.90**	**88.04**	**89.56**	**90.30**
Salaries and employee benefits	14.34	23.74	20.09	17.84	16.80	16.86	16.86	16.90	17.57	15.66	11.27
Interest on deposits in domestic offices	31.51	36.32	42.06	44.17	46.08	45.90	45.09	41.51	38.57	34.46	19.28
Interest on deposits in foreign offices	16.33	.00	.00	.00	.00	.00	.03	.21	1.80	6.03	34.86
Expense of federal funds purchased and securities sold under agreements to repurchase in domestic offices	8.23	.32	.52	.69	.93	1.79	4.03	7.55	9.00	13.13	10.26
Interest on demand notes issued to the U.S. Treasury and other borrowed money	2.44	.16	.23	.47	.72	1.03	1.30	1.45	1.81	2.23	3.71
Occupancy expense of bank premises, net, and furniture and equipment expense	4.18	5.35	4.98	4.72	4.71	4.96	5.26	5.51	5.77	4.72	3.09
Provision for possible loan loss	2.52	3.38	3.08	2.80	2.63	2.60	2.44	2.60	2.71	3.17	2.16
Other operating expenses	8.54	13.54	11.98	11.64	10.94	10.99	10.74	11.17	10.81	10.16	5.67
Income before income taxes and securities gains or losses	**11.91**	**17.19**	**17.06**	**17.67**	**17.19**	**15.87**	**14.25**	**13.10**	**11.96**	**10.44**	**9.70**
Amounts per $100 of total assets											
Operating income—total	9.49	7.35	7.88	8.48	8.83	9.09	9.36	9.00	9.39	9.44	9.96
Operating expenses—total	8.36	6.09	6.54	6.98	7.31	7.65	8.03	7.82	8.27	8.45	8.99
Income before income taxes & securities gains or losses	1.13	1.26	1.34	1.50	1.52	1.44	1.33	1.18	1.12	.99	.97
Net income	.81	.98	1.04	1.13	1.14	1.10	1.05	.93	.88	.75	.61
Recoveries credited to allowance	.08	.08	.09	.08	.08	.08	.07	.08	.07	.09	.07
Losses charged to allowance	−.24	−.26	−.27	−.25	−.24	−.25	−.23	−.26	−.26	−.30	−.20
Provision for possible loan losses	.24	.25	.24	.24	.23	.24	.23	.23	.25	.30	.22
Amounts per $100 of equity capital											
Net income	13.91	8.03	10.90	13.14	14.10	14.30	14.52	13.49	13.49	12.72	14.83
Cash dividends declared on common stock	4.82	1.81	2.11	2.82	3.43	4.18	4.92	4.58	5.21	5.54	5.70
Net change in capital accounts (less cash dividends on common and preferred stock)	16.18	9.05	12.09	14.46	15.98	15.85	16.57	16.17	15.25	18.00	16.06
Special ratios											
Income on loans per $100 of loans	11.65	8.19	8.80	9.68	10.32	10.75	11.31	10.87	11.58	11.62	12.58
Income on U.S. Treasury and on other U.S. Government agency and corporation securities per $100 of those securities	8.02	6.74	7.14	7.51	7.91	8.04	8.08	8.08	7.89	8.07	8.46
Income on obligations of state and political subdivisions per $100 of those obligations	5.44	4.87	4.58	4.84	5.10	5.21	5.40	5.15	5.36	5.49	6.21
Service charge on demand deposits in domestic offices per $100 of those deposits	.64	.63	.82	.98	1.02	.98	.84	.69	.71	.59	.33
Interest paid on time & savings deposits in domestic offices per $100 of those deposits	7.48	5.13	5.60	6.17	6.68	6.96	7.32	7.08	7.37	7.62	8.86
Number of banks at end of period	14,159	728	2,066	4,694	3,365	1,764	1,049	170	148	142	33

Table 120. INCOME OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979
(Amounts in thousands of dollars)

Income item	1974	1975	1976	1977	1978	1979
Operating income—total	**6,493,551**	**7,187,542**	**8,331,083**	**9,433,998**	**10,668,024**	**11,966,717**
Interest and fees on:						
Real estate loans, net	*4,503,214*	*4,817,741*	*5,225,101*	*5,745,032*	*6,500,885*	*7,173,749*
Other loans	*337,884*	*283,416*	*334,625*	*433,478*	*601,510*	*490,742*
Income on federal funds sold and securities purchased under agreements to resell	N/A	N/A	N/A	N/A	N/A	408,238
Interest on U.S. Treasury, agency, and corporation obligations	403,940	567,577	869,038	1,096,580	1,229,607	1,380,468
Interest on corporate bonds	743,944	929,613	1,166,755	1,294,958	1,324,370	1,351,138
Interest on obligations of States and political subdivisions of the U.S.	47,028	74,858	142,958	166,854	191,868	200,592
Interest on other bonds, notes, and debentures	125,718	150,841	200,849	255,214	293,024	260,660
Dividends on stock	170,273	191,401	207,398	227,542	261,677	287,779
Other service charges, commissions, and fees	27,875	32,968	39,825	47,614	57,307	75,930
Other operating income	133,715	139,127	144,534	166,726	207,776	337,421
Operating expenses—total	**5,902,669**	**6,624,666**	**7,646,301**	**8,519,950**	**9,503,400**	**11,060,177**
Interest and dividends on:						
Savings deposits (including deposits subject to transfer by order)	*3,607,170*	*3,778,695*	*4,160,435*	*4,223,409*	*3,930,597*	*3,229,489*
Time deposits	*1,309,554*	*1,717,147*	*2,127,531*	*2,774,056*	*3,776,077*	*5,729,297*
Expense of federal funds purchased and securities sold under agreement to repurchase	N/A	N/A	N/A	N/A	N/A	138,398
Interest on other borrowed money	66,110	55,168	45,365	46,827	122,436	120,836
Interest on subordinated notes and debentures	N/A	N/A	N/A	N/A	N/A	35,894
Salaries and employee benefits	427,642	486,329	554,594	626,108	719,004	819,502
Occupancy expense of bank premises, net	114,206	135,754	158,044	172,059	189,459	210,839
Furniture and equipment expense	43,815	52,543	62,285	73,863	88,131	103,176
Provision for possible loan losses	10,034	21,836	78,732	69,950	109,426	65,204
Other operating expenses	324,138	377,194	459,315	533,678	568,270	607,542
Income before income taxes and net realized gains or losses	**590,882**	**562,876**	**684,782**	**914,048**	**1,164,624**	**906,540**
Applicable income and franchise taxes	**161,870**	**171,549**	**227,088**	**280,168**	**310,945**	**259,173**
Income before net realized gains or losses	**429,012**	**391,327**	**457,694**	**633,880**	**853,679**	**647,367**
Net realized gains or losses, net	**−111,501**	**−25,899**	**49,283**	**47,634**	**−44,941**	**1,807**
Plus: Applicable income taxes	N/A	N/A	N/A	N/A	N/A	−1,037
Net realized gains or losses, gross	**−111,501**	**−25,899**	**49,283**	**47,634**	**−44,941**	**770**
Securities	−111,501	−25,899	49,283	47,634	−44,941	−12,847
Extraordinary items	N/A	N/A	N/A	N/A	N/A	13,617
Net income	**317,511**	**365,428**	**506,977**	**681,514**	**808,738**	**649,174**

Table 120. INCOME OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979—CONTINUED
(Amounts in thousands of dollars)

Income item	1974	1975	1976	1977	1978	1979
Memoranda						
Changes in surplus accounts, net	369,166	407,314	545,665	834,717	826,415	649,415
Recoveries credited to allowance for possible loan losses:						
Real estate loans	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*11,213*
Other loans	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*2,184*
Losses charged to allowance for possible loan losses:						
Real estate loans	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*45,568*
Other loans	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*8,558*
Provision for income and franchise taxes—total	161,870	171,549	227,088	280,168	310,945	259,173
U.S. Federal income taxes	81,089	66,543	107,801	139,151	171,002	127,363
State and local income and franchise taxes	80,781	105,006	119,287	141,017	139,943	131,810
Average assets and liabilities[1]						
Assets—total	**94,479,755**	**101,872,663**	**114,218,358**	**126,893,697**	**137,596,852**	**145,330,504**
Cash and due from depository institutions	1,649,653	1,940,685	1,767,488	1,962,325	2,342,907	3,084,363
U.S. Treasury, agency and corporation obligations	5,913,006	7,852,988	11,584,060	14,610,900	15,926,986	16,840,284
All other securities	16,485,646	19,128,255	23,091,101	25,907,208	27,162,309	26,942,558
Real estate loans	64,803,111	66,734,272	70,258,177	75,389,140	81,914,837	86,682,616
Other loans	1,990,416	2,346,350	2,803,723	3,337,139	3,896,915	4,672,805
Real estate owned other than bank premises	209,908	324,656	465,070	485,284	410,918	339,514
All other assets (including Federal funds sold and securities purchased)	3,428,015	3,545,457	4,248,739	5,201,701	5,941,980	6,768,364
Liabilities and surplus accounts—total	**94,479,755**	**101,872,663**	**114,218,358**	**126,893,697**	**137,596,852**	**145,330,504**
Total deposits	85,970,776	93,015,070	104,711,248	116,564,671	125,620,287	131,842,343
Savings deposits	*56,878,427*	*59,730,943*	*64,969,577*	*69,232,480*	*68,634,606*	*59,979,665*
Time deposits	*28,175,681*	*32,305,817*	*38,718,326*	*46,005,857*	*55,267,097*	*69,619,528*
Demand deposits	*916,668*	*978,310*	*1,023,345*	*1,326,334*	*1,718,584*	*2,243,150*
All other liabilities	1,814,045	1,791,230	1,855,561	1,940,484	2,724,655	3,555,359
Subordinated notes and debentures	143,958	172,510	203,313	262,102	351,030	373,804
Total surplus accounts	6,550,976	6,893,853	7,448,236	8,126,440	8,900,880	9,558,998
Number of full-time equivalent employees on payroll (end of period)	37,494	40,261	45,040	49,466	53,806	53,708
Number of banks (end of period)	320	329	329	323	325	324

[1] Averages of amounts reported at beginning, middle and end of year.

Note: N/A - Data not available.

Table 121. RATIO OF INCOME OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979

Income item	1974	1975	1976	1977	1978	1979
Amounts per $100 of operating income						
Operating income—total	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**	**$100.00**
Interest and fees on:						
Real estate loans, net	*69.35*	*67.03*	*62.72*	*60.90*	*60.93*	*59.95*
Other loans	*5.20*	*3.94*	*4.02*	*4.59*	*5.64*	*4.10*
Income on federal funds sold and securities purchased under agreements to resell	N/A	N/A	N/A	N/A	N/A	3.41
Interest on U.S. Treasury, agency, and corporation obligations	6.22	7.90	10.43	11.62	11.53	11.54
Interest on corporate bonds	11.46	12.93	14.00	13.73	12.41	11.29
Interest on obligations of States and political subdivisions of the U.S.	0.72	1.04	1.72	1.77	1.80	1.68
Interest on other bonds, notes, and debentures	1.94	2.10	2.41	2.71	2.75	2.18
Dividends on stock	2.62	2.66	2.49	2.41	2.45	2.40
Other service charges, commissions, and fees	0.43	0.46	0.48	0.50	0.54	0.63
Other operating income	2.06	1.94	1.73	1.77	1.95	2.82
Operating expenses—total	**90.90**	**92.17**	**91.78**	**90.31**	**89.08**	**92.42**
Interest and dividends on:						
Savings deposits (including deposits subject to transfer by order)	*55.55*	*52.57*	*49.90*	*44.77*	*36.82*	*26.98*
Time deposits	*20.17*	*23.89*	*25.54*	*29.40*	*35.40*	*47.88*
Expense of federal funds purchased and securities sold under agreement to repurchase	N/A	N/A	N/A	N/A	N/A	1.16
Interest on other borrowed money	1.02	0.77	0.54	0.50	1.15	1.01
Interest on subordinated notes and debentures	N/A	N/A	N/A	N/A	N/A	0.30
Salaries and employee benefits	6.59	6.77	6.66	6.64	6.74	6.85
Occupancy expense of bank premises, net	1.76	1.89	1.90	1.82	1.78	1.76
Furniture and equipment expense	0.67	0.73	0.75	0.78	0.83	0.86
Provision for possible loan losses	0.15	0.30	0.95	0.74	1.03	0.54
Other operating expenses	4.99	5.25	5.51	5.66	5.33	5.08
Income before income taxes and net realized gains or losses	**9.10**	**7.83**	**8.22**	**9.69**	**10.92**	**7.58**
Applicable income and franchise taxes	**2.49**	**2.39**	**2.73**	**2.97**	**2.92**	**2.17**
Income before net realized gains or losses	**6.61**	**5.44**	**5.49**	**6.72**	**8.00**	**5.41**
Net realized gains or losses, net	**−1.72**	**−0.36**	**0.59**	**0.50**	**−0.42**	**0.01**
Plus: Applicable income taxes	N/A	N/A	N/A	N/A	N/A	−0.01
Net realized gains or losses, gross	**−1.72**	**−0.36**	**0.59**	**0.50**	**−0.42**	**0.02**
Securities	−1.72	−0.36	0.59	0.50	−0.42	−0.10
Extraordinary items	N/A	N/A	N/A	N/A	N/A	0.12
Net income	**4.89**	**5.08**	**6.08**	**7.22**	**7.58**	**5.42**

Table 121. RATIO INCOME OF INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1974-1979—CONTINUED

Income item	1974	1975	1976	1977	1978	1979
Amounts per $100 of total assets[1]						
Operating income—total	6.87	7.06	7.29	7.43	7.75	8.24
Operating expense—total	6.25	6.50	6.69	6.71	6.90	7.61
Income before income taxes and net realized gains or losses	0.62	0.56	0.60	0.72	0.85	0.63
Applicable income and franchise taxes	0.17	0.17	0.20	0.22	0.23	0.18
Income before net realized gains or losses	0.45	0.39	0.40	0.50	0.62	0.45
Net realized gains or losses, gross	−0.12	−0.03	0.04	0.04	−0.03	0.00
Applicable income taxes	0.00	0.00	0.00	0.00	0.00	0.00
Net realized gains or losses, net	−0.12	−0.03	0.04	0.04	−0.03	0.00
Net income	0.33	0.36	0.44	0.54	0.59	0.45
Special ratios[1]						
Interest on U.S. Treasury, agency, and corporation obligations per $100 of U.S. Treasury, agency, and corporation obligations	6.83	7.23	7.50	7.51	7.72	8.20
Interest and dividends on all other securities per $100 of all other securities	6.59	7.04	7.44	7.51	7.62	7.79
Interest and fees on real estate loans per $100 of real estate loans, net	6.95	7.22	7.44	7.62	7.94	8.28
Interest and fees on other loans per $100 of other loans, net	16.97	12.08	11.94	12.99	15.44	10.50
Interest and dividends on savings and time deposits per $100 of savings and time deposits	5.78	5.97	6.06	6.07	6.22	6.91
Net income per $100 of total surplus accounts	4.85	5.30	6.81	8.39	9.09	6.79
Number of banks (end of period)	320	329	329	323	325	324

[1] See note to Table 120.

Note: N/A - Data not available.

BANKS CLOSED BECAUSE OF FINANCIAL DIFFICULTIES: FDIC INCOME, DISBURSEMENTS, AND LOSSES

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.

Under its section 13(c) authority, the Corporation has made disbursements to four operating banks. The amounts of these disbursements are included in table 126, but are not included in tables 124 and 125.

Noninsured bank failures

Statistics in this report on failures of noninsured banks are compiled from information obtained from State banking departments, field supervisory officials, and other sources. The Corporation received no reports of noninsured bank closures due to financial difficulties in 1979.

For detailed data regarding noninsured banks that suspended in the years 1934-1962, see the *Annual Report* for 1963, pp. 27-41. For 1963-1979, see table 122 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, 1979.

Table 122. NUMBER AND DEPOSITS OF BANKS CLOSED BECAUSE OF FINANCIAL DIFFICULTIES, 1934-1979

Year	Number					Deposits (in thousands of dollars)				
	Total	Non-insured[1]	Insured			Total	Non-insured[1]	Insured		
			Total	Without disbursements by FDIC[2]	With disbursements by FDIC[3]			Total	Without disbursements by FDIC[2]	With disbursements by FDIC[3]
Total	**692**	**136**	**556**	**8**	**548**	**6,081,926**	**143,500**	**5,938,426**	**41,147**	**5,897,279**
1934	61	52	9	....	9	37,332	35,364	1,968	....	1,968
1935	32	6	26	1	25	13,988	583	13,405	85	13,320
1936	72	3	69	....	69	28,100	592	27,508	....	27,508
1937	84	7	77	2	75	34,205	528	33,677	328	33,349
1938	81	7	74	....	74	60,722	1,038	59,684	....	59,684
1939	72	12	60	....	60	160,211	2,439	157,772	....	157,772
1940	48	5	43	....	43	142,788	358	142,430	....	142,430
1941	17	2	15	....	15	29,796	79	29,717	....	29,717
1942	23	3	20	....	20	19,540	355	19,185	....	19,185
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	1	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	11,690	360	11,330	....	11,330
1957	3	1	2	1	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	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
1969	9	....	9	....	9	40,134	....	40,134	....	40,134
1970	8[4]	1[4]	7	....	7	55,244[4]	423[4]	54,821	....	54,821
1971	6	....	6	....	6	132,152	....	132,152	....	132,152
1972	3	2	1	....	1	99,784	79,304	20,480	....	20,480
1973	6	....	6	....	6	971,296	....	971,296	....	971,296
1974	4	....	4	....	4	1,575,832	....	1,575,832	....	1,575,832
1975	14[4]	1[4]	13	....	13	340,574[4]	1,000[4]	339,574	....	339,574
1976	17	1	16	....	16	865,659	800	864,859	....	864,859
1977	6	....	6	....	6	205,208	....	205,208	....	205,208
1978	7	....	7	....	7	854,154	....	854,154	....	854,154
1979	10	....	10	....	10	110,696	....	110,696	....	110,696

[1] For information regarding each of these banks, see table 22 in the 1963 *Annual Report* (1963 and prior years), and explanatory notes to tables regarding banks closed because of financial difficulties in subsequent annual reports. 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 seven 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 adjusted as of December 31, 1979.
[4] Revised.

Table 123. INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION DURING 1979

Case Number	Name and location	Class of bank	Number of depositors or accounts[1]	Date of closing or deposit assumption	First payment to depositors or disbursements by FDIC	FDIC disbursements[2]	Receiver or liquidating agent or assuming bank
Deposit payoff							
311	Village Bank Pueblo West, Colorado	M	1,394	January 26, 1979	January 29, 1979	$ 3,673,992	Federal Deposit Insurance Corp.
312	Bank of Enville Enville, Tennessee	NM	949	June 16, 1979	June 19, 1979	2,415,657	Federal Deposit Insurance Corp.
313	The Farmers State Bank Protection, Kansas	NM	1,206	September 21, 1979	September 24, 1979	3,812,168	Federal Deposit Insurance Corp.
Deposit assumption							
245	Toney Brothers Bank Doerun, Georgia	NM	1,470	January 5, 1979		2,763,931	American Banking Company Moultrie, Georgia
246	Southern National Bank Birmingham, Alabama	N	3,611	June 14, 1979		16,954,189	Exchange National Bank of Birmingham, Birmingham, Alabama
247	The Guaranty Bank & Trust Company, Chicago, Illinois	NM	5,270	July 14, 1979		7,103,216	Independence Bank of Chicago Chicago, Illinois
248	Gateway National Bank of Chicago, Chicago, Illinois	N	3,700	July 14, 1979		15,709,045	Independence Bank of Chicago Chicago, Illinois
249	Fidelity Bank Utica, Mississippi	NM	11,911	September 28, 1979		20,662,173	Bank of Jackson, N.A. Jackson, Mississippi
250	American National Bank Houston, Texas	N	5,100	October 12, 1979		1,881,904	American Bank Houston, Texas
251	Livingston State Bank Livingston, New Jersey	NM	7,226	October 12, 1979	—	5,412,496	Fidelity Union Trust Company Newark, New Jersey

Case number	Assets[1]								Liabilities and capital accounts			
	Cash and due from banks	U.S. Government obligations	Other securities	Loans, discounts, and overdrafts	Banking house, furniture, and fixtures	Other real estate	Other assets	Total	Deposits	Other liabilities	Capital stock	Other capital stock
Deposit payoff												
311	$ 124,835	$ 1,563,260	$ 100,000	$ 2,417,586	$ 336,919	$240,173	$ 276,646	$ 5,059,419	$ 4,862,244	$ 104,317	$ 248,380	$ (155,522)
312	252,773	696,673	115,400	2,370,970	31,864	—	536	3,468,216	3,139,078	57,467	157,510	114,161
313	411,928	820,688	104,935	2,784,062	212,951	254,122	449,083	5,037,769	4,685,955	46,099	225,000	80,715
Deposit assumption												
245	647,169	455,364	907,439	3,662,246	140,713	33,500	23,033	5,869,464	5,790,622	236,488	253,900	(411,546)
246	2,396,093	2,133,472	3,236,735	21,319,834	1,434,119	738,259	1,327,048	32,585,560	24,031,970	7,181,957	2,115,000	(743,367)
247	570,586	1,605,871	1,279,356	4,038,903	148,523	—	233,093	7,876,332	7,415,842	322,608	742,500	(604,618)
248	800,129	12,284,259	1,453,326	1,722,914	382,742	6,540	283,350	16,933,260	9,229,970	7,718,431	1,458,000	(1,473,141)
249	1,682,440	3,200,785	1,246,976	24,305,501	1,272,332	136,075	973,665	32,817,774	30,223,164	494,911	424,500	1,675,199
250	3,151,735	2,173,135	231,605	4,838,525	101,798	50,000	112,403	10,659,201	10,353,000	318,140	630,808	(642,747)
251	1,091,879	1,225,570	5,000	9,249,679	870,404	—	238,360	12,680,892	11,020,610	1,176,919	910,000	(426,637)

[1] Figures as determined by FDIC Agents after adjustments of books of the bank immediately following its closing.
[2] Includes disbursements made to December 31, 1979, plus additional disbursements estimated to be required in these cases.

Table 124. DEPOSITORS, DEPOSITS, AND DISBURSEMENTS IN FAILED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1979

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			Disbursements by FDIC[1]: 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	**558**	**307**	**251**	**3,806,902**	**627,286**	**3,179,616**	**6,007,975**	**482,164**	**5,525,811**	**4,790,048[8]**	**335,800**	**4,454,248**	**9,634**	**237,033**
Class of bank														
National	104	36	68	1,551,371	108,815	1,442,556	3,305,731	113,779	3,191,952	3,120,632	65,058	3,055,574	3,051	125,425
State member F.R.S.	33	12	21	430,885	91,650	339,335	447,867	44,023	403,844	340,142	34,248	305,894	1,316	24,579
Nonmember F.R.S.	421	259	162	1,824,646	426,821	1,397,825	2,254,377	324,362	1,930,015	1,329,274	236,494	1,092,780	5,267	87,029
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	13,320	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	14,460	7,735	6,725	67	934
1937	75	50	25	130,387	74,148	56,239	33,349	14,960	18,389	19,481	12,365	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	142,430	5,657	136,773	74,134	4,895	69,239	89	17,237
1941	15	8	7	73,005	38,594	34,411	29,717	14,730	14,987	23,880	12,278	11,602	50	1,479
1942	20	6	14	60,688	5,717	54,971	19,185	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	....	393
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	11,330	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	......

Table 124. DEPOSITORS, DEPOSITS, AND DISBURSEMENTS IN FAILED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934–1979—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]
1961	5	5	...	8,301	8,301	......	8,936	8,936	......	6,201	6,201	......	154	......
1963	2	2	...	36,433	36,433	......	23,444	23,444	......	19,230	19,230	......	349	......
1964	7	7	...	19,934	19,934	......	23,438	23,438	......	13,744	13,744	......	599	......
1965	5	3	2	15,817	14,363	1,454	43,861	42,889	972	11,431	10,958	473	640	123
1966	7	1	6	95,424	1,012	94,412	103,523	774	102,749	8,732	735	7,997	35	1,612
1967	4	4	...	4,729	4,729	......	10,878	10,878	......	8,120	8,120	......	242	......
1968	3	...	3	12,850	......	12,850	22,524	......	22,524	5,586	......	5,586	......	1,114
1969	9	4	5	27,374	6,544	20,830	40,134	9,012	31,122	37,619	7,599	30,020	301	4,424
1970	7	4	3	31,433	20,403	11,030	54,821	33,489	21,332	49,185	29,181	20,004	696	1,897
1971	6	5	1	71,950	31,850	40,100	132,152	74,605	57,547	162,165	53,790	108,375	799	11,239
1972	1	1	...	23,655	23,655	......	20,480	20,480	......	16,275	16,275	......	383	......
1973	6	3	3	349,699	8,382	341,317	971,296	25,795	945,501	432,155	16,802	415,353	1,426	1,070
1974	4	...	4	704,283	......	704,283	1,575,832	......	1,575,832	2,260,179[8]	......	2,260,179	......	94,726
1975	13	3	10	110,367	21,925	88,442	339,574	39,902	299,672	303,113	25,992	277,121	1,366	22,611
1976	16	3	13	340,731	8,246	332,485	864,859	18,859	846,000	553,590	11,482	542,108	1,217	27,929
1977	6	...	6	95,548	24	95,524	205,208	108	205,100	21,809[9]	......	21,809	......	2,510
1978	7	1	6	364,384	516	363,868	854,154	1,286	852,868	498,194	818	497,376	46	18,864
1979	10	3	7	42,028	3,740	38,288	110,696	12,631	98,065	79,816	10,169	69,647	182	1,363
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	62	37	25	92,179	57,287	34,892	22,315	12,921	9,394	15,615	10,549	5,066	164	611
$500,000 to $1,000,000	72	36	36	160,388	74,296	86,092	54,424	26,820	27,604	36,057	20,962	15,095	445	2,352
$1,000,000 to $2,000,000	59	22	37	211,353	70,847	140,506	79,547	29,173	50,374	46,466	22,886	23,580	748	4,037
$2,000,000 to $5,000,000	61	25	36	306,380	92,842	213,538	203,302	83,236	120,066	124,866	62,221	62,645	1,378	9,925
$5,000,000 to $10,000,000	37	7	30	305,070	50,445	254,625	253,565	55,870	197,695	153,124	37,964	115,160	958	13,799
$10,000,000 to $25,000,000	27	9	18	391,332	146,478	244,854	430,032	148,199	281,833	263,078	108,634	154,444	2,609	15,705
$25,000,000 to $50,000,000	8	1	7	320,548	12,481	308,067	287,808	40,176	247,632	139,287	9,700	129,587	581	28,356
$50 000,000 to $100,000,000	6	1	5	244,265	27,403	216,862	525,377	66,902	458,475	344,322	47,021	297,301	523	25,572
$100,000,000 to $500,000,000	7	...	7	394,670	......	394,670	1,142,879	......	1,142,879	711,310[9]	......	711,310	896	45,566
$500,000,000 to $1,000,000,000	2	...	2	629,000	......	629,000	1,539,566	......	1,539,566	751,018	......	751,018	1,035	7,268
$1,000,000,000 or more	1	...	1	630,000	......	630,000	1,444,982	......	1,444,982	2,186,997[8]	......	2,186,997	......	83,513
State														
Alabama	8	3	5	19,660	2,572	17,088	45,897	5,270	40,627	31,663	3,384	28,279	140	1,374
Arizona	1	...	1	2,692	......	2,692	5,044	......	5,044	5,082	......	5,082	......	464
Arkansas	8	6	2	6,350	4,541	1,809	4,836	1,942	2,894	3,408	1,576	1,832	43	325
California	6	3	3	390,819	17,890	372,929	1,032,658	46,220	986,438	463,437[9]	12,946	450,553	1,711	4,275
Colorado	9	5	4	20,396	7,626	12,770	29,712	11,367	18,345	17,622	8,307	9,315	383	2,618

Connecticut	3	2	1	8,839	5,379	3,460	4,326	1,526	2,800	3,375	1,242	2,133	8	644
Florida	5	2	3	14,082	1,725	12,357	17,665	2,668	14,997	11,171	2,139	9,032	65	698
Georgia	3	8	5	33,912	8,797	25,115	59,772	1,870	57,902	39,640	1,551	38,089	33	3,131
Idaho	2	2	...	2,451	2,451	...	1,894	1,894	...	1,493	1,493	...	29	...
Illinois	27	10	17	169,925	44,383	125,542	350,921	28,972	321,949	236,756	23,924	212,832	513	14,935
Indiana	20	15	5	30,006	12,549	17,457	13,595	3,933	9,662	6,197	3,096	3,101	39	384
Iowa	11	5	6	25,206	5,736	19,470	29,964	8,535	21,429	17,793	6,469	11,324	149	792
Kansas	12	7	5	9,277	5,036	4,241	12,337	9,030	3,307	9,725	7,654	2,071	106	312
Kentucky	26	20	6	40,313	19,352	20,961	16,072	5,768	10,304	12,519	5,041	7,478	157	640
Louisiana	6	4	2	79,117	8,999	70,118	176,274	9,735	166,539	141,916	4,937	136,979	149	5,172
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	5	1	4	42,279	23,655	18,624	38,696	20,480	18,216	27,257	16,275	10,982	382	2,259
Michigan	14	5	9	172,607	10,452	162,155	194,399	13,477	180,922	142,592	12,242	130,350	203	14,245
Minnesota	5	5	...	2,650	2,650	...	818	818	...	640	640	...	17	...
Mississippi	5	3	2	26,262	1,651	24,611	45,909	334	45,575	33,252	257	32,995	5	783
Missouri	52	38	14	55,554	37,977	17,577	29,155	18,169	10,986	21,492	14,028	7,464	339	1,187
Montana	5	3	2	1,500	849	651	1,095	215	880	639	186	453	6	21
Nebraska	8	8	...	7,773	7,773	...	11,644	11,644	...	8,116	8,116	...	151	...
New Hampshire	1	...	1	1,780	...	1,780	296	...	296	117	...	117	...	8
New Jersey	43	13	30	571,146	113,695	457,451	261,401	49,119	212,282	127,205	39,876	87,329	519	23,530
New York	28	3	25	925,621	28,440	897,181	1,755,500	13,286	1,742,214	2,414,621[8]	10,836	2,403,785	928	94,360
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	5	2	3	21,251	7,585	13,666	102,838	2,345	100,493	90,073	1,610	88,463	7	5,198
Oklahoma	13	8	5	28,672	20,149	8,523	20,720	11,053	9,667	11,665	7,936	3,729	178	885
Oregon	2	1	1	3,439	1,230	2,209	2,670	1,368	1,302	1,948	986	962	11	81
Pennsylvania	31	8	23	182,590	43,828	138,762	96,907	14,340	82,567	67,485	10,133	57,352	75	10,971
South Carolina	3	1	2	68,080	403	67,677	113,553	136	113,417	60,650	136	60,514	...	9,804
South Dakota	23	22	1	12,515	11,412	1,103	2,988	2,862	126	2,411	2,388	23	26	9
Tennessee	14	9	5	133,317	10,952	122,365	341,450	4,836	336,614	130,437	3,585	126,846	92	10,884
Texas	47	33	14	131,109	80,986	50,123	220,483	141,922	78,561	139,615	97,131	42,484	1,796	4,651
Utah	1	...	1	3,254	...	3,254	5,992	...	5,992	3,538	...	3,538	...	300
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	17,779	7,652	10,127	8,263	3,867	4,396	305	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	33	20	13	62,247	18,739	43,508	112,627	5,966	106,661	117,992	5,096	112,896	54	11,765
Wyoming	1	...	1	3,212	...	3,212	2,033	...	2,033	202	...	202	...	19
Other areas														
Virgin Islands	1	1	...	11,073	11,073	...	14,229	14,229	...	8,712	8,712	...	927	...
Puerto Rico	3	...	3	369,840	...	369,840	789,442	...	789,442	352,935[9]	...	352,935	...	7,851

[1] Adjusted to December 31, 1979. In assumption cases, number of depositors refers to number of deposit accounts.
[2] Excludes $1,863 thousand of nonrecoverable insurance expenses in cases that 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 $222,005 thousand, all of which have been fully recovered by the Corporation, and $15,029 thousand of nonrecoverable expenses.
[7] No cases in 1962 required disbursements. Disbursement totals for each year relate to cases occurring during that year, including disbursements made in subsequent years.
[8] Includes disbursements by liquidators in field ($1.5 billion).
[9] In 1977 the assets of Banco Economias were purchased outright by the Corporation. Disbursements in the case are included in table 126 under "Other disbursements" and are not included in this table.

Note: Due to rounding differences, components may not add to totals.

Table 125. RECOVERIES AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ON PRINCIPAL DISBURSEMENTS FOR PROTECTION OF DEPOSITORS, 1934–79
(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, 1979	Estimated additional recoveries	Losses[1]	Number of banks	Principal disbursements[2]	Recoveries to Dec. 31, 1979	Estimated additional recoveries	Losses[1]	Number of banks	Principal disbursements[3]	Recoveries to Dec. 31, 1979	Estimated additional recoveries	Losses[1]
Total	**558**	**4,790,048**	**3,848,583**	**670,270**	**271,195**	**307**	**335,800**	**284,557**	**15,678**	**35,565**	**251**	**4,454,248**	**3,564,026**	**554,592**	**235,630**
Status															
Active	80	4,383,917	3,474,524	670,270	239,123	26	183,846	151,368	15,678	16,800	54	4,200,071	3,323,156	654,592	222,323
Terminated	478	406,131	374,059	......	32,072	281	151,954	133,189	......	18,765	197	254,177	240,870	......	13,307
Year[4]															
1934	9	941	734	......	207	9	941	734	......	207	....	......	......	......	......
1935	25	8,891	6,206	3	2,682	24	6,026	4,274	......	1,752	1	2,865	1,932	3	930
1936	69	14,460	12,127	......	2,333	42	7,735	6,397	......	1,338	27	6,725	5,730	......	995
1937	75	19,481	15,808	......	3,672	50	12,365	9,718	......	2,647	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	......	7,152	32	26,196	20,399	......	5,797	28	41,574	40,219	......	1,355
1940	43	74,134	70,338	......	3,796	19	4,895	4,313	......	582	24	69,239	66,025	......	3,214
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	1,666	1	58	....	......	......	......	......	5	1,724	1,666	1	58
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	3,245	......	213	1	2,795	2,582	......	213	1	663	663	......	......
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	6,201	4,699	......	1,502	5	6,201	4,699	......	1,502	....	......	......	......	......
1963	2	19,230	18,792	438	....	2	19,230	18,792	438	......	....	......	......	......	......
1964	7	13,744	12,080	42	1,622	7	13,744	12,080	42	1,622	....	......	......	......	......
1965	5	11,431	7,339	128	3,963	3	10,958	7,013	128	3,817	2	473	326	......	146
1966	7	8,732	8,241	8	485	1	735	735	......	......	6	7,997	7,506	8	485
1967	4	8,120	7,016	42	1,062	4	8,120	7,016	42	1,062	....	......	......	......	......
1968	3	5,586	5,575	1	11	....	......	......	......	......	3	5,586	5,575	1	11
1969	9	37,619	37,524	11	85	4	7,599	7,505	9	85	5	30,020	30,019	2	......
1970	7	49,185	48,479	171	533	4	29,181	28,705	171	305	3	20,004	19,774	......	228
1971	6	162,165	161,328	593	243	5	53,790	52,956	591	243	1	108,375	108,372	2	......
1972	1	16,275	10,630	1,645	4,000	1	16,275	10,630	1,645	4,000	....	......	......	......	......
1973	6	432,155	212,200	94,775	125,180	3	16,802	16,771	31	......	3	415,353	195,429	94,744	125,180
1974	4	2,260,179	2,025,127	230,652	4,400	....	......	......	......	......	4	2,260,179	2,025,127	230,652	4,400
1975	13	303,113	236,859	35,582	30,672	3	25,992	19,026	5,721	1,245	10	277,121	217,833	29,861	29,427
1976	16	553,590	387,281	131,992	34,317	3	11,482	8,213	578	2,691	13	542,108	379,068	131,414	31,626
1977	6	21,809	13,007	6,687	2,115	....	......	......	......	......	6	21,809	13,007	6,687	2,115
1978	7	498,194	348,689	129,635	19,870	1	818	430	238	150	6	497,376	348,259	129,397	19,720
1979	10	79,816	28,597	37,864	13,355	3	10,169	25	6,044	4,100	7	69,647	28,572	31,820	9,255

[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.

Table 126. ANALYSIS OF DISBURSEMENTS, RECOVERIES, AND LOSSES IN DEPOSIT INSURANCE TRANSACTIONS, JANUARY 1, 1934—December 31, 1979
(In thousands)

Type of disbursement	Disbursements	Recoveries[1]	Losses
All disbursements—total[2]	**$5,219,134**	**$4,883,152**	**$335,982**
Principal disbursements in deposit assumption and payoff cases—total	**4,790,048**	**4,518,853**	**271,195**
Loans and assets purchased in liquidations (251 deposit assumption cases):			
To December 31, 1979	4,220,498	4,518,853	271,195
Estimated additional	......	524,258	......
Notes purchased to facilitate deposit assumptions, mergers, or consolidations:			
To December 31, 1979	233,750	103,416	......
Estimated additional	......	130,334	......
Deposits paid (307 deposit payoff cases):[3]			
To December 31, 1979	334,998	284,557	35,565
Estimated additional	802	15,678	......
Advances and expenses in deposit assumption and payoff cases—total	**246,668**	**222,005**	**24,663**
Expenses in liquidating assets:			
Advances to protect assets	115,147	115,147	0
Liquidation expenses	106,858	106,858	0
Insurance expenses[4]	15,029	0	15,029
Field payoff and other insurance expenses in 307 deposit payoff cases[4]	9,634	0	9,634
Other disbursements—total	**182,418**	**142,294**	**40,124**
Corporation purchases:			
To facilitate termination of liquidations:			
To December 31, 1979	9,993	5,339	4,061
Estimated additional	......	593	......
To purchase assets from operating insured banks:			
To December 31, 1979	34,969	12,040	20,000
Estimated additional	......	2,929	......
Other assets purchased outright:			
To December 31, 1979	15,393	1,011	14,200
Estimated additional	......	182	......
Unallocated insurance expenses[4]	1,863	0	1,863
Assistance to operating insured banks:			
To December 31, 1979[5]	120,200	83,200	......
Estimated additional	......	37,000	......

[1] Excludes amounts returned to closed bank equity-holders and $120.9 million of interest and allowable return received by the FDIC.
[2] Includes collections and disbursements by liquidators in the field ($1.5 billion).
[3] Includes estimated amounts for pending and unpaid claims in active cases.
[4] Not recoverable.
[5] Excludes $32 million originally disbursed as assistance to Farmers Bank of the State of Delaware and subsequently applied to assets purchased from operating insured banks.

Table 127. INCOME AND EXPENSES, FEDERAL DEPOSIT INSURANCE CORPORATION, BY YEAR, FROM BEGINNING OF OPERATIONS, SEPTEMBER 11, 1933 TO DECEMBER 31, 1979
(In millions)

Year	Income			Expenses and losses				Net income added to deposit insurance fund[4]
	Total	Deposit insurance assessments[1]	Investment and other sources[2]	Total	Deposit insurance losses and expenses	Interest on capital stock[3]	Administrative and operating expenses	
Total	**$11,356.5**	**$5,378.7**	**$5,977.8**	**$1,563.8**	**$342.8**	**$80.6**	**$1,140.4**	**$9,792.7**
1979	1,090.4	356.4	734.0	93.7	13.1	....	106.8	996.7
1978	952.1	367.0	585.1	148.9[5]	45.6	....	103.3	803.2
1977	837.8	319.4	518.4	113.6	24.3	....	89.3	724.2
1976	764.9	296.5	468.4	212.3[5]	31.9	....	180.4[5]	552.6
1975	689.3	278.9	410.4	97.5	29.8	....	67.7	591.8
1974	668.1	302.0	366.1	159.2	100.0	....	59.2	508.9
1973	561.0	246.0	315.0	108.2	53.8	....	54.4	452.8
1972	467.0	188.5	278.5	59.7	10.1	....	49.6	407.3
1971	415.3	175.8	239.5	60.3	13.4	....	46.9	355.0
1970	382.7	159.3	223.4	46.0	3.8	....	42.2	336.7
1969	335.8	144.0	191.8	34.5	1.0	....	33.5	301.3
1968	295.0	132.4	162.6	29.1	0.1	....	29.0	265.9
1967	263.0	120.7	142.3	27.3	2.9	....	24.4	235.7
1966	241.0	111.7	129.3	19.9	0.1	....	19.8	221.1
1965	214.6	102.2	112.4	22.9	5.2	....	17.7	191.7
1964	197.1	93.0	104.1	18.4	2.9	....	15.5	178.7
1963	181.9	84.2	97.7	15.1	0.7	....	14.4	166.8
1962	161.1	76.5	84.6	13.8	0.1	....	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	0.1	....	12.4	132.1
1959	136.5	78.6	57.9	12.1	0.2	....	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	0.1	....	9.6	107.6
1956	111.9	68.2	43.7	9.4	0.3	....	9.1	102.5
1955	105.7	66.1	39.6	9.0	0.3	....	8.7	96.7
1954	99.7	62.4	37.3	7.8	0.1	....	7.7	91.9
1953	94.2	60.2	34.0	7.3	0.1	....	7.2	86.9
1952	88.6	57.3	31.3	7.8	0.8	....	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	0.3	....	6.1	144.7
1948	145.6	119.3	26.3	7.0	0.7	0.6	5.7	138.6
1947	157.5	114.4	43.1	9.9	0.1	4.8	5.0	147.6
1946	130.7	107.0	23.7	10.0	0.1	5.8	4.1	120.7
1945	121.0	93.7	27.3	9.4	0.1	5.8	3.5	111.6
1944	99.3	80.9	18.4	9.3	0.1	5.8	3.4	90.0
1943	86.6	70.0	16.6	9.8	0.2	5.8	3.8	76.8
1942	69.1	56.5	12.6	10.1	0.5	5.8	3.8	59.0
1941	62.0	51.4	10.6	10.1	0.6	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	0.2	5.6	4.2[6]	–3.0

[1] For the period from 1950 to 1979, 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 $5,817 million.

[2] Includes $36 million of interest and allowable return received on funds advanced to receivership and deposit assumption cases and $85 million of interest on capital notes advanced to facilitate deposit assumption transactions and assistance to open banks.

[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 U.S. 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] Includes net loss on sales of U.S. Government securities of $105.6 million in 1976 and $3.6 million in 1978.

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

Table 128. PROTECTION OF DEPOSITORS OF FAILED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION
1934-1979

Item	All cases (558 banks)		Deposit payoff cases (307 banks)		Deposit assumption cases (251 banks)	
	Number or amount	Percent	Number or amount	Percent	Number or amount	Percent
Number of depositors or accounts—total[1]	**3,806,902**	**100.0**	**627,286**	**100.0**	**3,179,616**	**100.0**
Full recovery received or available	**3,799,366**	**99.8**	**619,750**	**98.8**	**3,179,616**	**100.0**
From FDIC[2]	3,751,691	98.5	572,075[3]	91.2	3,179,616	100.0
From offset[4]	41,168	1.1	41,168	6.6	....	....
From security or preference[5]	3,295	0.1	3,295	.5	....	....
From asset liquidation[6]	3,212	0.1	3,212	.5	....	....
Full recovery not received as of December 31, 1979	**7,536**	**0.2**	**7,536**	**1.2**	**....**	**....**
Terminated cases	3,670	0.1	3,670	.6	....	....
Active cases	3,866	0.1	3,866	.6	....	....
Amount of deposits (in thousands)—total	**6,007,975**	**100.0**	**482,164**	**100.0**	**5,525,811**	**100.0**
Paid or made available	**5,993,515**	**99.8**	**467,704**	**97.0**	**5,525,811**	**100.0**
By FDIC[2]	5,862,249	97.6	336,438[7]	70.0	5,525,811	100.0
By offset[8]	23,809	.4	23,809	4.9	....	....
By security or preference[9]	56,671	.9	56,671	11.7	....	....
By asset liquidation[10]	50,786	.9	50,786	10.4	....	....
Not paid as of December 31, 1979	**14,460**	**.2**	**14,460**	**3.0**	**....**	**....**
Terminated cases	3,171	.0	3,171	.7	....	....
Active cases[11]	11,289	.2	11,289	2.3	....	....

[1] Number of depositors in deposit payoff cases; number of accounts in deposit assumption cases.
[2] Through direct payments to depositors in deposit payoff cases; through assumption of deposits by other insured banks facilitated by FDIC disbursements of $4,454,248 thousand, in deposit assumption cases.
[3] Includes 60,913 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 offsets.
[5] Excludes depositors, paid in part by the 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 $516 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 $1,244 thousand representing deposits available, expected through offset, or expected from proceeds of liquidation.

Table 129. INSURED DEPOSITS AND THE FDIC INSURANCE FUND, 1934—1979
(In millions)

Year (December 31)	Insurance coverage	Deposits in insured banks		Percentage of insured deposits	Deposit insurance fund	Ratio of deposit insurance fund to—	
		Total[1]	Insured[1]			Total deposits	Insured deposits
1979	$40,000	$1,226,943	$808,555	65.9%	$9,792.7	.80%	1.21%
1978	40,000[7]	1,145,835	760,706	66.4	8,796.0	.77	1.16
1977	40,000[6]	1,050,435	692,533	65.9	7,992.8	.76	1.15
1976	40,000	941,923	628,263	66.7	7,268.8	.77	1.16
1975	40,000	875,985	569,101	65.0	6,716.0	.77	1.18
1974	40,000	833,277	520,309	62.5	6,124.2	.73	1.18
1973	20,000	766,509	465,600	60.7	5,615.3	.73	1.21
1972	20,000	697,480	419,756	60.2	5,158.7	.74	1.23
1971	20,000	610,685	374,568[4]	61.3[4]	4,739.9	.78	1.27[4]
1970	20,000	545,198	349,581	64.1	4,379.6	.80	1.25
1969	20,000	495,858	313,085	63.1	4,051.1	.82	1.29
1968	15,000	491,513	296,701	60.2	3,749.2	.76	1.26
1967	15,000	448,709	261,149	58.2	3,485.5	.78	1.33
1966	15,000	401,096	234,150	58.4	3,252.0	.81	1.39
1965	10,000	377,400	209,690	55.6	3,036.3	.80	1.45
1964	10,000	348,981	191,787	55.0	2,844.7	.82	1.48
1963	10,000	313,304[2]	177,381	56.6	2,667.9	.85	1.50
1962	10,000	297,548[3]	170,210[4]	57.2[4]	2,502.0	.84	1.47
1961	10,000	281,304	160,309[4]	57.0[4]	2,353.8	.84	1.47[4]
1960	10,000	260,495	149,684	57.5	2,222.2	.85	1.48
1959	10,000	247,589	142,131	57.4	2,089.8	.84	1.47
1958	10,000	242,445	137,698	56.8	1,965.4	.81	1.43
1957	10,000	225,507	127,055	56.3	1,850.5	.82	1.46
1956	10,000	219,393	121,008	55.2	1,742.1	.79	1.44
1955	10,000	212,226	116,380	54.8	1,639.6	.77	1.41
1954	10,000	203,195	110,973	54.6	1,542.7	.76	1.39
1953	10,000	193,466	105,610	54.6	1,450.7	.75	1.37
1952	10,000	188,142	101,841	54.1	1,363.5	.72	1.34
1951	10,000	178,540	96,713	54.2	1,282.2	.72	1.33
1950	10,000	167,818	91,359	54.4	1,243.9	.74	1.36
1949	5,000	156,786	76,589	48.8	1,203.9	.77	1.57
1948	5,000	153,454	75,320	49.1	1,065.9	.69	1.42
1947	5,000	154,096	76,254	49.5	1,006.1	.65	1.32
1946	5,000	148,458	73,759	49.7	1,058.5	.71	1.44
1945	5,000	157,174	67,021	42.4	929.2	.59	1.39
1944	5,000	134,662	56,398	41.9	804.3	.60	1.43
1943	5,000	111,650	48,440	43.4	703.1	.63	1.45
1942	5,000	89,869	32,837	36.5	616.9	.69	1.88
1941	5,000	71,209	28,249	39.7	553.5	.78	1.96
1940	5,000	65,288	26,638	40.8	496.0	.76	1.86
1939	5,000	57,485	24,650	42.9	452.7	.79	1.84
1938	5,000	50,791	23,121	45.5	420.5	.83	1.82
1937	5,000	48,228	22,557	46.8	383.1	.79	1.70
1936	5,000	50,281	22,330	44.4	343.4	.68	1.54
1935	5,000	45,125	20,158	44.7	306.0	.68	1.52
1934	5,000[5]	40,060	18,075	45.1	291.7	.73	1.61

[1] Deposits in foreign branches are omitted from totals because they are not insured. Insured deposits are estimated by applying to the deposits in the various types of accounts 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.
[5] Initial coverage was $2,500 from January 1 to June 30, 1934.
[6] $100,000 for time and savings deposits of in-state governmental units provided in 1974.
[7] $100,000 for Individual Retirement accounts and Keogh accounts provided in 1978.

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