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CLERK
SUPREME COURT OF VIRGINIA

OCT 30 1979

IN THE
Supreme Court of Virginia
AT RICHMOND

RECORD NO. 791242

PEOPLES FINANCE SERVICE OF WAYNESBORO, INC.
and PARKS FINANCE SERVICE, INC.

Appellants

v.

BENEFICIAL FINANCE CORPORATION
and the STATE CORPORATION COMMISSION

Appellee

JOINT APPENDIX

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William A. Young, Jr., Esq.
Wallerstein, Goode & Dobbins
1011 East Main Street
Richmond, Virginia 23219

Counsel for Appellants

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300 West Main Street
Richmond, Virginia 23220

Counsel for Appellee

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Richmond, Virginia 23219

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STATE CORPORATION COMMISSION**BUREAU OF BANKING****APPLICATION FOR LICENSE BY CORPORATION**

CASE NO. 20093	EXHIBIT NO. 22	FILED APR 16 1979	WIRBAY J. J. Johnson
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To the Commissioner of Banking, Richmond, Virginia:

Application is hereby made in duplicate for a license under the SMALL LOAN ACT.

(1) The name and address of the applicant are:

Name BENEFICIAL FINANCE CO. OF VIRGINIAAddress 1300 Market StreetWilmington, Delaware, 19899

(2) The officers of the applicant are:

Name	Official Title	Residence Address	Business Address	Occupation
See Schedule Attached				

(3) The directors of the applicant are:

Name	Residence Address	Business Address	Occupation
See Schedule Attached			

4) The office of the applicant will be located at King Plaza East Shopping Center,
250 D North Poplar Avenue,
(Street and number of office building and rooms)
Waynesboro, City of Waynesboro
(City) (County)

(5) The applicant was incorporated on August 5, 1977, under the laws of the State of
Delaware

6) The name and address of the manager who is to have charge of the business are:

James G. Link

P. O. Box 291, Grottoes, VA 24441

Previous experience and employment during last ten years Employed by Beneficial Finance Co. of
Virginia since December 1970, currently as Manager at Large.

FROM	TO	NAME OF EMPLOYER	COMPLETE ADDRESS (STREET NUMBER AND CITY)	POSITION HELD
4/70	11/70	H'burg Auto Auction	H'burg, VA	Accounting Office Mgr.
6/69	9/69	Wayne Mfg. Co.	Waynesboro, VA	Punch Press
2/68	9/68	E. I. DuPont	Waynesboro, VA	Service Operator
2/66	2/68	U. S. Army	Fort Knox, VA	E-4
6/65	2/66	E. I. DuPont	Waynesboro, VA	Service Operator

(7) Is any officer, director or employee of your organization intrested in or connected with any other licensee?

Yes

Give details BENEFICIAL FINANCE CO. OF VIRGINIA holds 34 licenses in Virginia

(8) Does the applicant, its parent company or a subsidiary of its parent company operate a small loan business outside
of Virginia? Yes

Give details Affiliated subsidiaries of Beneficial Corporation (parent company) have

operated small loan businesses in many states and currently operate 1890 licensed loan
offices in the United States, Canada, England, Scotland, Australia, Puerto Rico and Japan.

9) The following is a true and correct statement of the financial condition of the applicant as of _____

See Balance Sheet attached

ASSETS		LIABILITIES	
Cash in Hand	\$ _____	Notes payable to bank	\$ _____
Cash in Bank (Name of Depository)	_____	Notes payable to parent Company or affiliate	_____
Securities	_____	Accounts payable	_____
Loans and Discounts	_____	Other Liabilities:	_____
Furniture and Fixtures	_____	_____	_____
Real Estate	_____	_____	_____
Other Assets:	_____	_____	_____
_____	_____	Capital Stock	_____
_____	_____	Surplus and Undivided Profits	_____
_____	_____	_____	_____
TOTAL ASSETS	\$ _____	TOTAL LIABILITIES	\$ _____

10) Name of more references to whom inquiries may be directed relative to the qualifications of officers and directors of the applicant. _____

Name	Address	Business
The Officers and Directors of applicant have held many licenses under the Virginia Small Loan Act for many years and are well known to the Banking Department of Virginia		

(11) How is your company being financed? By advances from parent company

(12) If this company is being financed through a parent company, give name and address of the parent. _____

Beneficial Corporation, 1300 Market Street, Wilmington, Delaware

13) Have all applicable provisions of the Virginia Securities Act been complied with? _____
Not applicable

14) Do you come under any of the exemptions in that law: if so cite the one relied upon? _____
No public offering of securities

IN WITNESS WHEREOF, The applicant has caused these presents to be signed by its President, attested by its Secretary, and its corporate seal to be hereto affixed, all by due authority of its Board of Directors this 10th day of August, 1978

CORPORATE SEAL) BENEFICIAL FINANCE CO OF VIRGINIA
(Name of Applicant Corporation)
Attest Elizabeth A. Dawson By Fernando Bennett
Secretary Elizabeth A. Dawson Vice President Fernando Bennett

Enclosures to accompany application: OK WLS P89955 8/10/78 HENRY HARRIS BANK - VIRGINIA.
1. Check for \$350 for investigation fee.
*2. Separate check in payment of license fee \$150.00 OK WLS # P89957
(Make checks payable to Treasurer of Virginia)
*This fee is \$300. unless license is granted after June 30th, in which case it is \$150.

The Space Below is Not to be Used by Applicant
Application Filed _____ 19____
Investigated by _____ Examiner
License No. _____ Issued _____ 19____
License Refused _____ 19____

Commissioner of Banking
Aug 21 9 57 AM '78

Exhibit A

BENEFICIAL FINANCE CO. OF VIRGINIA

Item 1:

<u>Name & Title</u>	<u>Residence</u>	<u>Place of Business</u>	<u>Other Occupation</u>
President Charles L Rounsavall	3720 Font Hill Dr. Ellicott City, MD	8726 Town & Country Blvd. Ellicott City, MD	Vice Pres., Beneficial Mgmt. Corp. of America
Vice President & Treasurer Fernande Bennett	6 Van Dyke Drive New Castle, Del.	1300 Market St. Wilmington, Del.	Vice Pres. & Treas. Beneficial Mgmt. Corp. of America
Vice President & Secretary Elizabeth A. Dawson	1103 S. Broom St. Wilmington, Del.	1300 Market St. Wilmington, Del.	V. Pres. & Dir. of various Subs. of Beneficial Corp.
Asst. Vice Pres. Paul S. Courson	3211 Evergreen Way Ellicott City, MD.	8726 Town & Country Blvd. Ellicott City, MD	Asst. Vice Pres., Beneficial Mgmt Corp. of America
Asst. Vice Pres. & Asst. Treasurer Margaret M. Anderson	111 Livingston Ave. Wilmington, Del.	1300 Market St. Wilmington, Del.	Asst. Vice Pres. & Asst. Treas. of Various Subs. of Beneficial Corp.
Asst. Vice Pres. & Asst. Secretary Deborah E. Tuxward	151 Riverview Dr. New Castle, Del.	1300 Market St. Wilmington, Del.	Asst. Vice Pres & Asst. Sec. of Various Subs. of Beneficial Corp.
Field Supervisor Kenneth M. Elliott	4015 NW 105th St. Coral Springs, Fl.	3411 Covington Dr. Decatur, Georgia	Field Supervisor, Beneficial Mgmt Corp. of America
Field Supervisor Patrick Field	4099 Warrior Trail Stone Mountain, Ga.	3939 E. LaVista Rd Tucker, Ga.	Field Supervisor Beneficial Mgmt Corp. of America

Item 3:

Directors:

Charles L. Rounsavall
Fernande Bennett
Elizabeth A. Dawson
Paul S. Courson

(Information same as above)

AUG 21 9 57 AM '78
FEDERAL RESERVE BANK
OF VIRGINIA

Beneficial Finance Co. of Virginia

Balance Sheet

As At June 30 1978

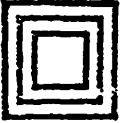
Assets:

Cash		\$ 246,784
Instalment Loans Receivable	\$40,961 745	
Less: Unearned Discount	8,886,139	
	<u>32,075,606</u>	
Reserve for possible Credit Losses	<u>1,860,637</u>	30,214,969
Fixed Assets (at cost, less accumulated depreciation and amortization of \$346,578)		278,754
Deferred Charges		79,606
		<hr/>
Total Assets		<u>\$30,820,113</u>

Liabilities and Capital:

Account Payable (Beneficial Corporation Parent Co.)	\$26,845,305
Accounts Payable (Miscellaneous)	164,653
Common Stock	5,000
Capital Surplus	2,543 100
Retained Earnings	1,262,055
	<hr/>
Total Liabilities and Capital	<u>\$30,820,113</u>

RECEIVED
BUREAU OF RECORDS
AUG 21 9 57 AM '78



BENEFICIAL MANAGEMENT CORPORATION

Beneficial Building, 200 South Street, Morristown, New Jersey 07960

Writer's Direct Dial Number:

(201) 455-7093

August 17, 1978

Walter Wightman, Deputy Commissioner
Consumer Credit - Bureau of Banking
800 Blanton Building
Richmond, Virginia 23219

Dear Mr. Wightman:

Enclosed for filing, under the Virginia Small Loan Act, is a license application, in duplicate, for Beneficial Finance Co. of Virginia, an affiliated corporation, located at King Plaza East Shopping Center, 250D North Poplar Avenue, Waynesboro, Virginia, together with two checks in the amount of \$150 and \$350 in payment of the license and investigation fees, respectively.

The required deposit of \$40,000 has been made and a confirming letter from First & Merchants National Bank has been included.

As explained in detail in the enclosed convenience and advantage statement, the Applicant will surrender license #886 for Crozet Shopping Plaza, Crozet and #634 for 1373 Greenville Ave., Staunton upon the granting of a license for the Waynesboro location.

Thank you for your consideration in this matter.

Very truly yours,

James D. Warren
Assistant Vice President-Secretary
and Associate Counsel

JDW:amr
Enc.

6 21 0 55 AM '78

STATEMENT

This Statement is prepared in amplification of the basic facts set forth in the application for license submitted by Beneficial Finance Co. of Virginia hereafter referred to as the "Applicant", for a location in the King Plaza East Shopping Center at 250 D North Poplar Avenue in the independent City of Waynesboro, Virginia. At the outset it should be established that the Applicant proposes to discontinue its operations at two offices in the vicinity of Waynesboro and consolidate such operations in Waynesboro. The Applicant proposes to close its place of business in the Staunton Shopping Center at 1373 Greenville Avenue in unincorporated Augusta County, one mile south of the business district of the independent City of Staunton. In addition it proposes to discontinue operations in the Crozet shopping center in the section of unincorporated Albemarle County known as Crozet. Whereas Crozet is 9.4 miles east of Waynesboro, Staunton is approximately 11 miles to the west. Thus Waynesboro would be a central location for the Applicant's two present offices in Crozet and Staunton.

Both Waynesboro and Staunton are surrounded by unincorporated sections of Augusta County, Waynesboro in the eastern section of the county and Staunton at the county's center. To appreciate population distribution over the last four decennial censuses, based upon the magisterial district as the basis for population measurement, as follows.

<u>District</u>	<u>1940</u>	<u>1950</u>	<u>1960</u>	<u>1970</u>
Beverly Manor	6,337	4,730	6,255	7,756
Middle Rivers	6,135	6,853	7,335	6,050
North Rivers	3,668	3,469	3,225	6,213
Pastures	5,514	5,293	5,102	5,931
Riverhead	4,423	4,364	3,986	5,455
South River	16,695	9,445	11,460	6,409
Wayne				<u>6,406</u>
	42,772	34,154	37,363	44,220
Staunton	13,137	19,927	22,232	24,405
Waynesboro	7,373	12,357	15,694	16,707

By way of orientation, the Wayne District, created from the South River District after 1960, surrounds Waynesboro. The Beverly Manor District encircles Staunton. Crozet which had 1970 population of 1,433 is in a magisterial district in the North West section of the county, the White Hall District with 4,826 inhabitants.

In making its survey of Waynesboro the Applicant has determined that this city which long has had a historical presence running from the Revolutionary War to the Civil War, has now become the focal point of a significant manufacturing area. Within a 10 mile radius of Waynesboro there are 15 major industries employing in excess of 12,000 people. All of these industries are operated by major nationally known companies, E. I. Du Pont De Nemours, Inc., General Electric, Thiaco Chemical, Westinghouse Corp., Morton Frozen Foods Company and American Safety Razor Company.

An indication of the extent of population growth subsequent to 1970 is furnished by a compilation of the authorized new housing units in the Staunton Augusta County and Waynesboro between January 1, 1969 and May 31, 1978, as follows:

	<u>Augusta County</u>	<u>Staunton</u>	<u>Waynesboro</u>
1969	932 (169)	101 (66)	58 (16)
1970	1319 (304)	222 (236)	197 (142)
1971	916 (407)	306	74
1972	589 (48)	115	38
1973	587	88 (8)	57 (19)
1974	502	99 (92)	74 (12)
1975	350	59	28 (4)
1976	415 (48)	91 (32)	31
1977	614 (163)	154 (99)	149 (97)
1978 (May 31)	<u>330</u>	<u>29</u>	<u>9</u>
	6,554 (1134)	1264 (533)	715 (280)

() - denotes apartment units

The total number of units recited above is 8,533 of which 1947 (22.8%) are apartment units. Based upon a factor of 2.9 persons per unit, the additional population represented thereby is 24,748.

Notwithstanding the fact that Waynesboro is only 11 miles east of Staunton and Staunton historically has been the larger city, Waynesboro shill has become a major retail center with 1972 sales of \$59,205.000. Within its city limits there are four shopping centers, the most prominent of which is the Centre for Shopping with 160,000 square feet featuring five major stores, Roses Department Store, Southern Department Store, Safeway Supermarket, Peoples Druges and a small catalog store of Sears, Roebuck. Located at the junction of West Broad Street and Ohio Street 1/2 mile northwest of what was originally "downtown" Waynesboro, the centre is within one half mile of the other two centers. (1) The King Plaza East at Ohio Street and North Poplar Avenue (2) The BMH Shopping Center on North Poplar Avenue and West Broad Street and (3) The Riverside Center at West Broad Street on the east bank of the South River which passes through Waynesboro.

The Applicant has maintained an office in Staunton since December 2, 1968 and competes with five other Staunton lenders all of which are located in the downtown section of the city. In almost 10 years the Applicant has not had a very successful operation in the Staunton Shopping Center despite the fact that the center is prominent. Its location, immediately outside the city limits, has detracted from its potential volume. The Applicant through its predecessor company with which it merged, began business in Staunton on December 2, 1968. Its volume as of June 30, 1978 556 loans (\$407,295 in outstanding unpaid principal balances) is less than its December 31, 1977 peak of 599 loans (\$472.013).

The Applicant opened its Crozet branch when it purchased the receivables of Blue Ridge Finance Corp. and obtained a license to take over and continue the business of that selling corporation on November 17, 1977. At the time of purchase there was 423 loans (\$259,697). As of June 30, 1978, the Crozet branch serviced 419 loans (\$243,588). At the time of consolidation, there would be appropriately 975 loans (\$650,000). In Waynesboro there now are three licensees. Of this number two are located in the old

downtown business district on the west bank of the South River while the third is located in the Centre for Shopping. It is the position of the Applicant that the redistribution of borrowers from the Crozet and Staunton branches to a branch in Waynesboro will not cause an adverse effect upon such borrowers.

Because the Crozet branch is not connected to the BENCOM electronic data processing system only information can be obtained with respect to Staunton and based upon a Customer Zip Code Count as of August 18, 1978 the distribution by borrowers presently served in Staunton is as follows:

<u>Zip Code</u>	<u>Place</u>	<u>No. of Borrowers</u>
22801	Hamsenburg	27
22812	Bridge water - Rockingham County	5✓
22815	Broadway - Rockingham County	4✓
22827	Elkton - Rockingham County	7
22841	Mount Cranford - Rockingham County	4✓
22901	Charlottesville	27
22903	Afton - Albemarle County	6
22980	Waynesboro	91
24401	Staunton	227✓
24421	Churchville - Augusta County	17✓
24430	Craigsville - Augusta County	5✓
24431	Crimora - Augusta County	13
24440	Greenville - Augusta County	12
24441	Grottoes - Augusta County	20
24450	Lexington - Rockbridge County	10✓
24459	Middlebrook - Augusta County	4✓
24477	Stuarts Draft - Augusta County	27
24482	Verona - Augusta County	45✓
24486	Weyers Cave - Augusta	5✓

As can be seen above all the persons now serviced from Staunton would be serviced with the same degree of accessibility from Waynesboro and the Applicant feels certain that a count of the zip codes of the borrowers serviced

from Crozet would disclose a similar distribution as Staunton, within travelling distance to Waynesboro.

The Applicant is informed that there already is on file with the State Corporation Commission an application for a small loan license which lists as its address a location within King Plaza East. The Applicant has determined from the landlord of this shopping center that no lease ever was concluded with any other company for the purpose of obtaining a license to make loans under the Small Loan Act in King Plaza East. The facilities leased by the Applicant in King Plaza East are the only premises in such shopping centre leased to a company engaged in the consumer finance business.

For the foregoing reasons it is submitted that the convenience and advantage will be promoted by the granting of this application in conjunction with the surrender of licenses for Crozet and Staunton.

Respectfully submitted

James D. Warren

Counsel for

Beneficial Finance Co. of Virginia

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 24, 1979

APPLICATION OF

BENEFICIAL FINANCE CORPORATION

CASE NO. 20095

For a small loan license in the
King Plaza Shopping Center, 250-D
North Poplar Avenue, Waynesboro,
Virginia

A hearing on the application herein was held April 16, 1979. The applicant was represented by David Meade White, its counsel, and the protestants, Peoples Finance Service of Waynesboro, Inc. and Parks Finance Service, Inc. were represented by Howard W. Dobbins. William F. Schutt, counsel to the Commission, was present. At the conclusion of the hearing, the matter was taken under advisement.

Now having considered the application herein, the investigation report made by the Bureau of Financial Institutions, and the evidence submitted at the hearing, the Commission is of the opinion and finds:

(1) That the financial responsibility, experience, character and general fitness of the officers and directors of the applicant are such as are calculated to command the confidence of the public and to warrant belief that the small loan business to be operated by the applicant will be operated lawfully, honestly, fairly and efficiently within the purpose of this chapter;

(2) That allowing the applicant to engage in the small loan business in Waynesboro will promote the convenience and advantage of that community;

(3) That the applicant has available for the operation of the small loan business at said location liquid assets of at least \$40,000; and

(4) That all the prerequisites to obtaining a license as prescribed by §6.1-254 of the Code of Virginia have been complied with.

IT IS THEREFORE ORDERED that a license to establish an office for the conduct of a small loan business at King Plaza Shopping Center, 250-D North Poplar Avenue, Waynesboro, Virginia be issued to Beneficial Finance Corporation, upon the following conditions: (1) that the applicant surrender before November 1, 1979, the license it presently holds to operate an office in Crozet, and (2) that it establish the office herein authorized and open it for business within one year from this date. Upon opening the office, the applicant shall notify the Commissioner of Financial Institutions of the date the office opens.

ATTESTED COPIES hereof shall be sent to David Meade White, Esquire, White & Wood, P.C., 300 W. Main Street, Richmond, Virginia 23220, counsel for the applicant; James D. Warren, Assistant Vice President, Beneficial Management Corporation, 200 South Street, Morristown, New Jersey 07960; Howard W. Dobbins, Esquire, Wallerstein, Goode & Dobbins, The Ironfronts, 1011 East Main Street, Richmond, Virginia 23219; James S. Parks, President, Parks Finance Service, Inc., 112 Second Street, N.E., Charlottesville, Virginia 22901; G. Kent Brooks, President, Peoples Finance Corporation,

1506 Staples Mill Road, Richmond, Virginia 23230; and to the
Commissioner of Financial Institutions (attention: Walter
Wightman, Deputy Commissioner-Consumer Credit).

A True Copy

Teste:

A handwritten signature in cursive script, reading "William C. Young".

Clerk of State Corporation Commission

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
RICHMOND

AT RICHMOND, AUGUST 24, 1979

APPLICATION OF

BENEFICIAL FINANCE CORPORATION

CASE NO. 20095

For a small loan license in the
King Plaza Shopping Center, 250-D
North Poplar Avenue, Waynesboro,
Virginia

OPINION

Beneficial Finance Corporation of Virginia filed the subject application August 21, 1978. As required by law the Commission, through its Bureau of Financial Institutions, thereupon made an investigation of the facts concerning the application, and gave notice of the application to existing licensees in the community.

At one time it appeared that objections to the application would be withdrawn. However, when it became clear that Beneficial was not offering to surrender its licenses in Staunton and Crozet, protests were re-affirmed, and an order was entered February 1, 1979, setting a hearing on the application.

The hearing was convened April 16, 1979, before Commissioners Thomas P. Harwood, Jr., and Preston C. Shannon. Commissioner Harwood presided. The applicant was represented by David Meade White, its counsel; Howard W. Dobbins appeared as counsel for both protestants, Peoples Finance Corporation

of Waynesboro and Parks Finance Service, Inc. By stipulation of counsel the Bureau's investigation report and Beneficial's application, with statement attached, were received into the record.

At the conclusion of the hearing, Beneficial offered to close its Crozet office. The matter was taken under advisement. On April 24, 1979, an order granting the application was entered, subject to Beneficial's surrendering the license to operate in Crozet.

Section 6.1-256 of the Code of Virginia provides that the Commission shall issue a small loan license to an applicant if it finds, inter alia, that "allowing the applicant to engage in business will promote the convenience and advantage of the community in which the licensed office is to be located, . . .". The facts in the present case are not substantially in dispute. At issue are the conclusions the Commission drew, or did not draw, from the facts presented. In accordance with §12.1-39 the Commission files this statement of the reasons for its decision.

Waynesboro, located in the eastern end of Augusta County, has population between 16,000 and 17,000 people. The city proper lost population to surrounding county areas between 1970 and 1977. Together with the South River and Wayne magisterial districts, which encircle the city itself, the Waynesboro area is estimated to hold some 31,000 people.

The Waynesboro area is an employment center, especially for manufacturing workers. During 1978, employment in Waynesboro city averaged approximately 7,850; estimates of manufacturing employment in the eastern end of Augusta County were given as being from 10,000 to over 12,000 persons. Per capita income levels in Waynesboro increased from \$4,448 in 1972 to \$6,858 in 1976.

To a lesser extent Waynesboro is a commercial center. It has four shopping centers scattered about the city in addition to a healthy downtown business district. Retail sales in Waynesboro, however, increased more slowly (44%) than those in Augusta County as a whole (68%) between 1972 and 1977.

The city of Waynesboro is served by twenty-one offices of regulated financial institutions. It has eight offices of five banks, two savings and loan offices, two industrial loan associations (apparently not very active), six credit unions, and three small loan offices. There are several bank branches in small towns nearby.

Beneficial proposed to establish its office in a seven-store shopping center at Poplar Avenue and Ohio Street, a site which is convenient to traffic flow, and is about 1/2 mile from the downtown offices of American Finance and Parks Finance. The proposed office would be some 3/10

of a mile from Peoples' location at the Centre for Shopping, Waynesboro's largest shopping center, which is on West Broad Street (U.S. Route 250). Beneficial's office would be somewhat more distant than existing loan offices from several large manufacturing plants, which are east of the South River. Apparently all four office sites provide ample parking space for customers.

The applicant emphasized that it would provide diverse financial services including second mortgage lending, open-end credit, and sales finance purchasing from its King Plaza office. This in addition to affording a more convenient location to a number of customers, and an additional source of small loans. The protestants contended that another small loan license in Waynesboro would not promote the public convenience and advantage of that community because the economy was "deteriorating", small loan demand was diminishing, and competition for consumer loans was increasing - particularly on the part of credit unions and banks issuing credit cards.

Until recent years "public need" or "convenience and necessity" had to be demonstrated before a bank, savings and loan association, or branch of either could be authorized.¹

¹ Statutory amendments have now substituted the term "public interest" for "need" or "convenience and necessity" in §§6.1-13, 6.1-39, 6.1-195.47 and 6.1-195.48 relating to banks, savings and loan associations, and their branches.

The General Assembly's contemporaneous use of the term "convenience and advantage" in §6.1-256 as the finding prerequisite to issuing a small loan license denotes that a lesser degree of benefit to the public need be shown in order to make a prima facie case for such a license.

The evidence here did show, prima facie, that the convenience and advantage of the community would be served in several respects: (1) The Waynesboro area will have an additional source of credit for serving the community's least creditworthy borrowers, including young adults and older citizens. (2) A Waynesboro office will provide more convenient service to a substantial number of Beneficial's existing customers, as well as to area borrowers who may wish to do business with this lender in the future. (3) Competition from an innovative firm will ensue; the firm, incidentally, will provide other credit services to consumers and merchants from its small loan office location.

On the other hand, based on the evidence we did not find that the economy of Waynesboro is "deteriorating", as protestants' testimony alleged. Although the city itself has lost population to the surrounding county, it is a combined city/county area which is to be served by small loan offices in Waynesboro, and that combined area has grown steadily - if unspectacularly. The February, 1979,

unemployment figure for Waynesboro we view as an aberration, temporarily reflecting the re-location in January of one of two divisions of Waynesboro's General Electric plant.

The gist of the remainder of the protestants' case was that their respective market shares would be reduced by the entry of an additional competitor - small loan demand already being at a reduced level, and existing licensees being hard-pressed by competition from banks issuing credit cards and credit unions.

Virginia added a "convenience and advantage" clause to §6.1-256 of the Code in 1956. Prior to that time any applicant of good character who met the capital requirements could get a small loan license. Legislatures in Virginia and in other states apparently decided that licensing authorities needed the ability to limit the number of licensees in a given market, so that the aims of the state's small loan acts might not be subverted by the supposed harmful consequences of having too many lenders and too much competition.

Most of the reported cases in this field date from the 1950's and 1960's. Those cases uphold the authority of states to limit entry into the small loan business, and defer to the sound discretion of licensing agencies to determine when a particular community can accept no more offices without adverse effect.

In 1956 this Commission denied a number of licenses. Former Commissioner Ralph T. Catterall wrote opinions in those cases, expounding his views regarding the purpose of restrictions on licensing and the proper application of such restrictions. Times change. By 1960 Commissioner Catterall - his ideas unswayed - was writing dissenting opinions, as licenses were once again being granted. During the late 1960's and the 1970's, inflation and increased use of discretionary credit by all classes of borrowers have expanded greatly the ideas held by businessmen and regulators alike concerning how much credit should be available to the public. Limiting the numbers of licensees to those which will promote communities' convenience and advantage still has its place in law, of course, but the application of restraints necessarily reflects current economic reality.

We believe the purpose of restricting entry into the small loan business is solely to prevent detrimental effects on the public's interest. We see no warrant for using the convenience-and-advantage standard to protect the market shares of existing licensees from the competition of other lenders. In this case, although the general observation was made that one protestant is rejecting more loan applicants these days because they are "overloaded" with debt, and though it was noted that bankruptcies are increasing among

borrowers from Waynesboro licensees, no substantial evidence pointed to the conclusion that the public was about to suffer the evils of "overcompetition" from there being too many small loan companies in Waynesboro.

We do not conclude that the market will be overcrowded with small loan offices by the addition of a fourth licensee in Waynesboro. Trends in the demand for small loans in Waynesboro parallel rather closely statewide trends; actually, the decrease in the number of small loans outstanding at year-end 1978 compared with 1974 has been substantially smaller in Waynesboro than in Crozet, Charlottesville, or Staunton. Parks Finance, the most recent entrant in the Waynesboro market, is still expanding its loan accounts, according to year-end figures (1974 through 1978). A moratorium on licenses will not assist in preventing an erosion of demand for small loans, if, as protestants imply, increased competition from banks and credit unions is the cause of the alleged reduction.

Having found that allowing Beneficial Finance Corporation to engage in business would promote the convenience and advantage of the community in which its proposed office is to be located, and having concluded that no detriment to the public would result from the entry of an additional licensee, we granted the license. (A majority of

the Commission concurred in the result stated. Therefore Chairman Junie L. Bradshaw, absent on the date of the hearing, was not called on to participate in the decision in this case.)

AN ATTESTED COPY hereof shall be sent to David Meade White, Esquire, White & Wood, P.C., 300 E. Main Street, Richmond, Virginia 23220, counsel for the applicant; James D. Warren, Assistant Vice President, Beneficial Management Corporation, 200 South Street, Morristown, New Jersey 07960; Howard W. Dobbins, Esquire, Wallerstein, Goode & Dobbins, The Ironfronts, 1011 East Main Street, Richmond, Virginia 23219; James S. Parks, President, Parks Finance Service, Inc., 112 Second Street, N.E., Charlottesville, Virginia 22901; G. Kent Brooks, President, Peoples Finance Corporation, 1506 Staples Mill Road, Richmond, Virginia 23230; and to the Commissioner of Financial Institutions (attention: Walter Wightman, Deputy Commissioner-Consumer Credit).

A True Copy

Teste:



Clerk of State Corporation Commission.

filed 9/18/79

VIRGINIA:

IN THE SUPREME COURT OF VIRGINIA
AT RICHMOND

PEOPLES FINANCE SERVICE OF WAYNESBORO, INC.
and PARKS FINANCE SERVICE, INC.

Appellants

v.

Record No. 791242
S.C.C. Case No. 20095

BENEFICIAL FINANCE CORPORATION and the STATE
CORPORATION COMMISSION

Appellees

ASSIGNMENTS OF ERROR

To the Honorable Chief Justices and Associate Justices of the
Supreme Court of Virginia:

Come now the appellants, Peoples Finance Service of Waynesboro, Inc. and Parks Finance Service, Inc., by counsel, pursuant to Rule 5:18(i) of the Rules of Court, and make the following assignments of error to the order of the State Corporation Commission of Virginia (the "Commission") dated April 24, 1979 in Case No. 20095, which granted a license to Beneficial Finance Corporation to establish an office for the conduct of a small-loan business at King Plaza Shopping Center, 250-D North Poplar Avenue, Waynesboro, Virginia:

1. The Commission erred by admitting into evidence the ex parte statement of James D. Warren which was submitted with Beneficial's application. The statement constituted inadmissible hearsay evidence; Beneficial's counsel admitted that it was not a true statement; and the Commission improperly relied upon its conclusions.
2. The Commission erred in misinterpreting the meaning and requirements of the convenience and advantage clause in Virginia Code, §6.1-256.
3. The Commission erred in granting the application, because Beneficial failed to carry its burden of proof to show

convenience and advantage in Waynesboro as to small loans.

4. The Commission erred by improperly considering evidence of Beneficial's other lending operations that are not an essential part of the small-loan business.
5. The Commission erred by improperly considering Beneficial's evidence of the number of accounts to be transferred from its Staunton office to its Waynesboro office.
6. The Commission erred by disregarding or failing to give appropriate weight to the protestants' evidence of the existing sources of credit of small-loan borrowers in Waynesboro and its vicinity.
7. The Commission erred in disregarding or failing to give appropriate weight to the evidence of the protestants of the present and potential decrease in loan demands, the increase in unemployment and the general decline of the economic situation in Waynesboro.
8. The Commission erred in disregarding or failing to give appropriate weight to the evidence of the protestants of the potential damage to existing licensees in the event Beneficial's application for a new license was granted.
9. The Commission erred by basing its approval of Beneficial's application at least partially upon the irrelevant condition that Beneficial close its office in Crozet, because there was no evidence that Crozet was in the same community of service or that the Crozet office competed with the Waynesboro small-loan offices.
10. The Commission erred in misinterpreting the evidence as a whole by improperly concluding that the substantial facts were not in dispute.

PEOPLES FINANCE SERVICE OF WAYNESBORO,
INC. and PARKS FINANCE SERVICE, INC.

By William A. Young, Jr.
of counsel

Howard W. Dobbins
William A. Young, Jr.
Wallerstein, Goode & Dobbins
1011 East Main Street
Richmond, Virginia 23219
Counsel for Appellants

CERTIFICATE OF SERVICE

This is to certify that on the *18th* day of September, 1979 the original of this Assignments of Error was filed with Allen L. Lucy, Clerk of the Supreme Court of Virginia, at his office in the Supreme Court Building, Richmond, Virginia, and that prior to the filing copies of said Assignments of Error were mailed, postage fully prepaid, to David Meade White, White & Wood, P.C., 300 West Main Street, Richmond, Virginia 23220; William F. Schutt, Post Office Box 1197, Richmond, Virginia 23209; and J. Marshall Coleman, Attorney General of Virginia, Supreme Court Building, 1101 East Broad Street, Richmond, Virginia 23219, counsel of record for the appellees.

William A. Young, Jr.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF

CASE NO. 20095

BENEFICIAL FINANCE CORPORATION

Complete transcript of the testimony and other
incidents of the above-captioned matter when heard on
April 16, 1979 before the Honorable Commissioners of the
State Corporation Commission, Richmond, Virginia.

SUE TRAYLOR
OFFICIAL COURT REPORTER
STATE CORPORATION COMMISSION
RICHMOND, VIRGINIA

APPEARANCES:

Honorable Junie L. Bradshaw, Chairman, ABSENT

Honorable Preston C. Shannon, Member

Honorable Thomas P. Harwood, Jr., Presiding

Counsel:

William Schutt, Esquire,

Counsel to the Commission

David Meade White, Esquire,

Counsel for the Applicant, Beneficial Finance
Company

Howard W. Dobbins, Esquire,

Counsel for the Protestants, Peoples Finance
and Parks Finance

I N D E X

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NOTE: The matter is called to be heard at 10:08 o'clock A.M., on April 16, 1979, and begins as follows, viz:

COMMISSIONER HARWOOD: Mr. Schutt.

MR. SCHUTT: Good morning. May it please the Commission, as has been stated, this is a case on an application by Beneficial Finance Corporation of Virginia for a small loan license in Waynesboro, Virginia. The case results from an application that was filed back in August of 1978. August the 21st is the date on the application.

Mr. Wightman did an investigation as required by law of the -- on behalf of the Bureau of Financial Institutions, and his investigation report is dated August 29th of '1978.

I have spoken with counsel present today, and in view of the fact that the report contains no conclusions, either for or against the application and the issues today, I would ask that the application and the report of investigation be accepted into the record by stipulation of counsel.

1
2 COMMISSIONER HARWOOD: Mr. White?

3 MR. WHITE: Yes, sir.

4 COMMISSIONER HARWOOD: Mr. Dobbins?

5 MR. DOBBINS: No objection.

6 COMMISSIONER HARWOOD: All right. Then, Mr. Wight-
7 man's report of August 29, 1978 will be made a part of the
8 record by stipulation of counsel.

9 MR. SCHUTT: Could we have it -- do you want to
10 assign exhibit numbers to the application and to the
11 investigation report?

12 COMMISSIONER HARWOOD: It might be helpful if we
13 make the application Exhibit 1, and Mr. Wightman's report
14 Exhibit 2.

15 MR. SCHUTT: Okay.

16 MR. DOBBINS: May I ask one question? I notice
17 attached to the application is a statement by the
18 Applicant. Did you intend to make that part of the
19 record as well, Mr. Schutt?

20 MR. SCHUTT: That was my intention.

21 MR. DOBBINS: Inasmuch as the Applicant is here
22 and is prepared to testify, wouldn't it be appropriate
23 to omit that as an exhibit?

24 MR. SCHUTT: That's agreeable with me.

1
2 COMMISSIONER HARWOOD: Who is that by, Mr. Dobbins?

3 MR. DOBBINS: James D. Warren.

4 Is he here?

5 MR. WHITE: No, sir.

6 MR. DOBBINS: He's not?

7 MR. SCHUTT: I'm trying to determine whether
8 that statement is a necessary part of the application.

9 COMMISSIONER SHANNON: It is or it isn't?

10 MR. SCHUTT: I'm trying to determine that. And if
11 it isn't, I'll be happy to submit the report without that
12 statement and rely strictly on the evidence that the
13 applicant would submit today in lieu of the statement.

14 COMMISSIONER SHANNON: Mr. White, will you have
15 someone that can stand cross-examination on all of the
16 application?

17 MR. WHITE: Yes, sir, Judge. As a matter of
18 fact, the statement is not strictly true, because it will
19 change -- it has changed in circumstances since this
20 application was filed.

21 COMMISSIONER SHANNON: Mr. Dobbins will have an
22 opportunity to cross-examine on that statement.

23 COMMISSIONER HARWOOD: That was the only thing
24 concerning me, was if there was someone here who could
stand cross-examination on the application with the

1
2 attached statement.

3 MR. DOBBINS: Mr. Warren.

4 MR. WHITE: No, Mr. Warren is not, but Mr. LeSueur
5 is here, as is Mr. Dorsett, who could testify.

6 MR. DOBBINS: Objection.

7 COMMISSIONER HARWOOD: All right. The Commission's
8 ruling, then, is that the statement of Mr. Warren attached
9 to the application is a part of the application, but it is
10 subject to cross-examination by an appropriate witness
11 put on by Beneficial.

12 Anything further, Mr. Schutt?

13 MR. SCHUTT: The hearing was set by the
14 Commission's Order of February the 1st and continued
15 to this date by its Order of February the 6th. And,
16 to the best of my knowledge, I would state for the
17 record that the sole issue before the Commission today
18 is pursuant to Section 6.1-256 of the Code of Virginia,
19 and that is whether allowing the Applicant to engage in
20 business will promote the convenience in the community
21 in which the licensed office is to be located.

22 I had Mr. Wightman appear here this morning in
23 the event there was any difficulty with submitting the
24 application or his report. But I would ask that he be

excused when he sees fit to return to his duties.

COMMISSIONER HARWOOD: Since his testimony -- since his report has been stipulated and submitted into evidence, there is no reason for him to stay. Of course, he is welcome to stay also.

MR. SCHUTT: Thank you.

COMMISSIONER HARWOOD: Mr. White.

MR. WHITE: Thank you, Mr. Chairman. Gentlemen of the Commission, let me say briefly that it was just sometime prior to August of 1978, that Beneficial, through a Virginia subsidiary, decided that it would close its Staunton and Crozet offices and consolidate them into one office in Waynesboro. It's a little community there. And it felt, for business reasons, that would be the proper thing to do.

It filed its application, and this is the reason the statement is inaccurate; we are presenting to the Commission that it was going to close those two offices.

Sometimes, as Murphy's law applies, if something can go wrong it will. And apparently it did. And the matter could not get to be heard. I'm not saying it's the Commission's fault. Probably Beneficial's fault; I'll be

1
2 fired for saying this.

3 But, in any event, it was a series of circum-
4 stances. As the Department made its investigation, the
5 time went on and it didn't come to fruition. As a result,
6 the landlords in Staunton, particularly, required either:
7 You put up or shut up. And, so, Beneficial had to
8 renew its lease in Staunton.

9 Having renewed its lease, then, obviously it
10 wasn't in a position to offer, or say to the Commission:
11 We will not close this office and just pay the rent
12 on an empty office. That would be poor business judgment.

13 So, with that amendment to the plan -- and,
14 incidentally, I don't believe Mr. Dobbins or Mr. Schutt
15 or the Department is caught by surprise on this, although
16 I did not write them formally. I have talked to them
17 about this particular situation.

18 Beneficial's plans, which will be offered to the
19 Commission today, will be that it, in itself, is a
20 unique sort of business and that it offers, in addition
21 to small loan services, through other types of lending
22 operations, and these will be gone into in some detail.
23 It, I think, is going to be conceded, in a sense,
24 Waynesboro is a little center of influence there in the
valley, and that there are one hundred seventy-seven

1
2 accounts that will be transferred from Staunton to
3 Crozet if the people so desire. It will be strictly
4 what they desire.

5 The location at 250-D King Plaza Shopping
6 Center on North Poplar Avenue, in Waynesboro is, I
7 believe, the newest shopping center. Mr. Jones, I believe,
8 is here from the owner of the shopping center and he can
9 bring us up to date.

10 But this shopping center does not have a small
11 loan licensee therein. They are in the community and in
12 the neighborhood, but in this particular shopping center
13 they don't have them.

14 And I will, when the time comes, submit the
15 small loan licensee is necessary to every shopping center.
16 It's like a barber shop; you've got to have one if you
17 want to serve the people.

18 But, in going to this particular thing, we will
19 point out that we are not going to be able to justify
20 it on population, so many people, so many small loan
21 situations. As a matter of fact, we submit to the
22 Commission that philosophy came about when one of the
23 Commission's predecessors, the Honorable Ralph Catterall
24 felt like small loan companies shouldn't operate anyhow.

1
2 The sole question really comes down to whether
3 or not convenience and advantage means protecting the
4 small loan companies so there aren't too many, or whether
5 it means what it says, convenience and advantage to the
6 people. That's really a philosophical decision that this
7 Commission has got to face up to.

8 And, let me say this, that if you limit the number
9 of small loan licensees, are you really serving the
10 people or are you really giving an economic advantage
11 to people that are in the business?

12 And, so, the issue is going to be that we get
13 away from this idea of an economic advantage because,
14 while it may be doubly important since in a tongue-and-
15 cheek report to the Commission that the blow administered
16 to the industry the credit life has been considerable
17 and has been more tears because of this impact.

18 But we say to you that the impact will be
19 brought to the Commission in due time. But convenience
20 and advantage, we think, means putting in a jet airplane
21 into the travelers' stream. And that's what we're asking
22 to do.

23 We believe we can show, and we believe it will
24 serve at least one hundred seventy-seven people.

1
2 And all of these people in the community that are
3 opposing us are big boys and they can live with competition.

4 That will be our case, sir.

5 COMMISSIONER HARWOOD: Thank you, Mr. White.
6 Mr. Dobbins.

7 MR. DOBBINS: May it please the Commission, I am
8 representing Peoples Finance Company and Parks Finance
9 Company, two of the three present small offices in
10 Waynesboro.

11 I disagree, of course, with Mr. White. We have
12 frequently disagreed in the past. And I have to say
13 that he has licked me on many occasions.

14 MR. WHITE: It isn't so.

15 MR. DOBBINS: And so I'm somewhat calloused,
16 where I would normally take a blow of that nature.
17 And I would have to say to you that I think there is
18 more to convenience and advantage than putting a jet
19 airplane into the stream in Waynesboro.

20 It is more -- there is more to the legislative
21 definition of defining convenience and advantage than
22 defining convenience and advantage to Beneficial.

23 The statute has been interpreted, I think, fairly
24 consistently to mean just what it says. The convenience

1 and advantage, permitting the convenience and advantage
2 of a community. That means the community at large. It
3 does not mean one hundred seventy-seven accounts that
4 might be transferred to Waynesboro office from Beneficial's
5 Staunton office or its Crozet office or its Charlottesville
6 office or anywhere else.
7

8 And I want the Commission to bear in mind, please,
9 that we are here now to determine the -- whether or not
10 this application should be granted under the small loan
11 statute, not whether or not Beneficial, the giant of the
12 industry, is able to offer any number of other sorts of
13 services, because I call to the Commission's attention
14 two very pregnant facts.

15 One is that they are already in Staunton, have
16 an office in Staunton only eleven miles away. And they
17 can offer those same services in Staunton. They can offer
18 them in Crozet. They have an office in Charlottesville
19 over the mountain. Offer those same services in Charlottesville.
20

21 But more importantly they don't need a small loan
22 license if they want to offer second mortgage services,
23 if they want to offer revolving credit service, or any
24 other type of sophisticated credit of a consumer nature.

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2 Nothing to prevent them from doing it. Nothing to prevent
3 them from establishing an office in Waynesboro, Stuarts
4 Draft, Fishersville, and in every shopping center, whether
5 it has seven little stores or whether it has a hundred,
6 or whether there are no stores at all.

7 I don't think the Commission has ever said that a
8 shopping center was determinate of whether or not you would
9 grant a small loan license or not.

10 So, we say that it is not a question of convenience
11 and advantage to Beneficial. It's to the community itself.
12 And the Commission should bear in mind, as it always has,
13 that too many sources of credit is not beneficial. To
14 use a pun, not beneficial to any community because it
15 results in overextension.

16 I think it's no need for me to argue that
17 philosophical point because the Commission has heard
18 it time and time again, and I think has subscribed to it.
19 Otherwise, convenience and advantage means absolutely
20 nothing in the statute. I can't believe this Commission
21 would ever take that position, that the legislature,
22 the Virginia legislature and legislators across the
23 country, for that matter, have meant that convenience
24 and advantage meant only that you would see that there

1
2 is a small loan office in every shopping center.

3 Now, the particular location where they seek to
4 put this office is nothing spectacular about it, nothing
5 unusual, nothing unique. It's a small shopping center,
6 very nice-looking, relatively new, has a reasonable
7 amount of parking. Nothing spectacular as far as parking.
8 It's not on a main drag, it's not on 250, it's not on
9 340. It's off of it. It is just a small shopping center,
10 has no -- what I would call -- feeder stores, like a
11 big grocery store or a big K-Mart or anything of that
12 nature. It has in it a laundramat, a beauty shop,
13 something called a cake shop, a fin shop where they sell
14 tropical fish, I guess, and a couple of other small
15 stores. Now, if that's the kind of shopping center the
16 Commission says should have, and every one of those
17 should have, a small loan licensee we are going to have
18 a real flood of applications of small loan offices,
19 because having established that precedent, then, we are
20 off and running. The C and A means nothing.

21 Now, the community, we say and have always said,
22 certainly I have, that convenience and advantage means
23 what is going on in the community, does the community
24 actually require another source of small loan credit.

Waynesboro does not.

Waynesboro has, as I said, three licensees already. Six more eleven miles up the road in Staunton. But, more importantly than that, it has some very active credit unions, which the testimony will show you, compete with the small loan licensees in this community. Dupont Credit Union has thirty-two million dollars outstanding in loans. Imagine that. That's more than all these things by far have.

There are two industrial loan companies making consumer loans. And what is now, we think, the most important factor of all is right inside Waynesboro itself there are eight banking locations. And why is that important? It's important because the banks have now become the most important, the most active, the most aggressive competition for small loans, consumer loans, not only in Waynesboro but in the State of Virginia and in the nation.

We intend to show the Commission that in 1977, in Virginia alone, banks advanced small loan credit on their credit cards, their Master Charge and Visa, totaling one hundred twenty-seven million dollars, one hundred twenty-seven million dollars from the banks

1
2 alone and not from charging in the stores but actually
3 obtained small loans.

4 All you have to do is go in the bank, no problem,
5 present the card, borrow up to the limit of their credit,
6 a thousand, some of them fifteen hundred dollars.

7 And some of the banks have the ready money,
8 twenty-four-hour teller machines. They can get that
9 money all night long if they want to. It spits the
10 money out just with a card.

11 Now, as a result of all that competition, what
12 has happened in Waynesboro? The same thing has happened
13 in Waynesboro as has happened across the State. The
14 demand for small loans, per se from small loan licensees,
15 has increased appreciably, even greater in Waynesboro
16 than across the State. The total amount of outstanding
17 loans in Waynesboro, as Mr. Wightman's report shows,
18 has decreased enormously year to year through the past
19 four or five years.

20 You will find that with these three licensees,
21 you will find the testimony to show that the most
22 recent of the three licensees began to take some loans
23 away from the other. They were swapping them back and
24 forth and as time goes by, the other two begin to get
them back from that one. But in the aggregate total

1 amount, the number of loans did decrease year by year.

2 And not only that, although the nominal amount of
3 outstanding loans, that is the dollars, seems to be
4 increasing. If you put -- translate that into inflated
5 dollars you will find the actual outstanding amounts,
6 the money which is being borrowed by the Waynesboro
7 small loan borrowers to buy things, is actually less
8 year by year, just as the number of loans.

9 Again, the number has not increased, even
10 nominally like it has in the State, disregarding inflation.
11 So, we know that the amount of loans has decreased, and
12 we propose to have testimony to the effect that the reason
13 is because of this tremendous amount of competition we are
14 now receiving from all these other sources.

15 The other small loans, industrial loans, credit
16 unions and the banks are competitors. We know also that
17 the economy in Waynesboro is not particularly healthy.
18 The unemployment rate in Waynesboro in February of 1979
19 was ten point three. Ten point three percent of the
20 employment force is out of work in Waynesboro. And
21 someone might say: Isn't that true across the State.
22 Only six point six in the State. So, you see, there is
23 a tremendous amount of economic illness going on in
24

Waynesboro that is not necessarily going on across the State.

We know, for instance, that the largest employer in Waynesboro, General Electric, their employment population is down from twenty-nine hundred last year to two thousand this year. That's an enormous decrease in employment in just one industry. And it hasn't been picked up in the other industries, or we wouldn't have this large rate of unemployment.

So, there is no particular booming economic situation in Waynesboro upon which we could say -- nor is there any evidence -- that it will increase in the future in which we could say: Yes, they need a small loan licensee in every shopping center in Waynesboro, because this city is in such an enormously different situation from every place else in Virginia. That's not so.

Well, we think you will see from the testimony that the existing small loan offices are perfectly convenient. Anybody in the Waynesboro area who wants to make a small loan can find a place to park. Chances are they are going to be in the neighborhood of these existing offices anyhow. One of them is in a larger shopping center in the whole community. The other two

1
2 are in the downtown area, which is still very vital
3 in Waynesboro. You don't see the decay in downtown
4 Waynesboro that you see in Portsmouth and some other
5 urban areas in Virginia. They are very strategically
6 located. They are located much closer to where the
7 people work than this location that Beneficial applied
8 for.

9 In short, we believe that the evidence will
10 show that there is no expectation that another licensee
11 will promote the convenience and advantage of Waynesboro.

12 MR. WHITE: Gentlemen of the Commission, may we
13 stipulate that the money has been deposited as required
14 for a small loan applicant?

15 MR. DOBBINS: We don't raise any question about
16 that.

17 COMMISSIONER HARWOOD: All right.

18 Mr. White, call your first witness.
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24

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2
3 ERNEST M. LeSUEUR, a witness called by and on
4 behalf of the Applicant, having first been duly sworn by the
5 Bailiff, testified as follows:

6 DIRECT EXAMINATION

7 BY MR. WHITE:

8 Q Mr. LeSueur, would you state your full name and
9 residence, please?

10 A Ernest M. LeSueur. My residence is 8106 Ashtonbirch
11 Drive in Springfield, Virginia.

12 Q And, Mr. LeSueur, would you tell us your position
13 with Beneficial?

14 A I'm the Regional Public Relations Director of
15 Beneficial Corporation of America, covering the States of Virginia,
16 North Carolina and South Carolina.

17 Q How long have you been in the small loan business?

18 A Just about all my life, which is shy of 39, sir.
19 Better than 25 years.

20 Q And I believe you are a native of Virginia, too,
21 aren't you?

22 A That is correct.

23 Q And, where were you born?

24 A Buckingham County.

1 LeSueur-Direct 23
2 Q It had to be. LeSueur. All right. Tell us a
3 little bit about Beneficial's operation, if you would, please,
4 Mr. LeSueur.

5 What does Beneficial offer?

6 A Well, Beneficial, I guess, is one of the pioneers,
7 of the small loan industry in the State. They have been here,
8 I'm sure, fifty years or so. And, originally, we started out
9 like everybody else in the small loan industry and over the
10 years grew and the business changed and the climate changed.

11 We entered other fields such as second mortgage,
12 ISC, which is installment sales contracts. ISC, of course, is
13 third-party transactions, as you are familiar, I hope.

14 And, then, of course, the latest is revolving
15 charge which is the open credit extension, one and a half percent.
16 And attached to that, of course, we have a Ben charge which is
17 similar to a credit card operation, the Visa, Master Charge,
18 set up directly with individual department stores or outlets
19 requiring that service.

20 We, at the present time, have extended that only
21 to -- not only to Virginia, but throughout the -- well, inter-
22 nationally, where we can. It's a business of not only meeting
23 competition, but one in which we look at as survival. If anything,
24 it will protect, if not salvage, the small loan industry because

1 LeSueur-Direct 24
2 it is not only an adjunct, but a part of a full-service operation,
3 similar to what the banks have to offer.

4 Any customer can have, not only a small loan, but
5 if he chooses he can consolidate -- he can have a second mortgage
6 loan, he can have a revolving charge. If he chooses to finance
7 an automobile which, as we all know, fifteen hundred dollars
8 doesn't go very far today, he can certainly raise the three
9 thousand five hundred capital or above at the required rate of
10 one and a half percent.

11 Installment sales, of course, for the third-party
12 transaction, will not only afford but offer the customer an
13 opportunity to finance practically anything from a refrigerator,
14 stove, appliances, furniture. And, I may add, the package itself,
15 in the State of Virginia, has added tremendously since it has
16 been installed, and we have just begun in the revolving charge
17 as well as the Ben charge, since the installation from a year
18 ago, just about a year ago. This, of course, comes under the
19 dual business operation. And, although it's a small loan
20 license may be required under under the dual operation.

21 We have, and could, of course, consider a
22 separate operation on second mortgage at the 82 provision.

23 So, that sort of rounds it out in a nutshell
24 as to what type of business we are in, what services we have

1 to offer.

2
3 Q Was that essential in order to compete
4 with the banks?

5 A Not only essential but, as I mentioned,
6 I think it's really the survival of the small loan
7 industry. And I would say that it's not only advantageous
8 to Beneficial, but to use a pun again, Mr. Dobbins, it is
9 beneficial, not only to us but to the independent as well.

10 Because as time goes on, I think it's
11 necessary that we offer a full service operation, or the small
12 business, per se, particularly where the independent is
13 concerned, will die.

14 Q Explain to the Commission a little bit about
15 this revolving charge, exactly how that works, because most
16 of us are not familiar with that, not being small loan
17 customers perhaps.

18 A The revolving charge is an open-end
19 transaction. You open the line of credit and the credit
20 limit is set as to a given individual, and he is issued a
21 number of checks at his disposal to be cashed at a time of
22 need. And it does not necessitate the customer returning to
23 the office. Now, that's basically the --

24 Q Well, give me an illustration. If I were a
25

thousand dollars revolving charge, would I have a thousand dollars' worth of checks, or what?

A That is correct. You would have a thousand dollars credit limitation, and you would be issued checks to cover that thousand dollars to be cashed at the customer's disposal, at his option.

Q I could use that any time I wanted?

A That is correct. And, incidently, that is for the first twenty-five days onto the billing cycle, that is a free loan until such time, of course, after the first billing cycle, the twenty-five days, then, of course, interest you would be charged.

Q And, so to get back to your pun, really, with a full service compliment in your kit you propose to offer all of these in Waynesboro, would you?

A Absolutely. Right.

MR. WHITE: All right. Answer Mr. Dobbins' questions, Mr. LeSueur.

COMMISSIONER HARWOOD: Mr. Dobbins, all right.

CROSS EXAMINATION

BY MR. DOBBINS:

Q Mr. LeSueur, we've been on the same side so many years, it's sort of strange for me to cross-examine you. I'm really sort of shocked at what you have to say. I thought I had taught you better.
(Laughter in the courtroom)

Beneficial would offer a second mortgage service at the office in Waynesboro?

A Yes, sir.

Q And installment sales, financing? You buy paper from dealers and that sort of stuff?

A That's correct.

Q And, this revolving charge which includes a credit card type service --

A It will. We have not installed, to my knowledge, in that given area yet. Mr. Dorsett, our Field Supervisor, can answer that question.

Q I guess, incidently, you would offer some small loans, wouldn't you?

A Hopefully. I'm sure we would. We have some twenty-six percent of our business now out of the Staunton office in the Waynesboro branch, in the Waynesboro area, excuse me. We don't have a branch there. Correction.

1
2 Q I'll get back to that. But do you
3 now offer the second mortgage service and the
4 installment service and the revolving charge in
5 your Staunton office?

6 A We offer a full package in our
7 Staunton office.

8 Q And in Crozet?

9 A No. In Crozet, again, Mr. Dorsett
10 will be in better position to answer that question
11 from an operator's standpoint. But, Crozet, at this
12 point, that was a purchase office, as you well know,
13 and it was one year ago I believe, and we have not,
14 because of the size of that community, established
15 a full service operation.

16 Q But you could?

17 A We could, yes.

18 Q When you bought it, you intended to
19 close it out?

20 A Not on the initial purchase, no. On
21 the original application we intended to close it out,
22 to consolidate.

23 Q Do you offer those services in
24 Charlottesville now in your office?

25 A We will offer those services as soon
26 as we can get the office moved. It is presently
27 operating in a trailer.

Q You don't need a small loan license to offer any of those things do you?

A Yes. That comes under your dual business operation with the exception of your second mortgage business, under your 82 rate that you could establish a separate operation.

Q You don't need a small loan license when you start buying installment paper in Waynesboro, do you?

A Not really.

Q Nor, you don't need one to get in the second mortgage business?

A But you couldn't survive.

Q And you don't need one to get in the revolving credit business, do you? I mean, that's unregulated, isn't it?

A All related to overhead. There is no way you could survive under that rate, under a separate operation.

Q So, you would offer the same so you could survive and make a profit?

A That's the purpose of our business.

Q And I guess it would be fair to say

that the purpose of this application is for convenience and advantage, right?

A I would say the purpose would be for both, the public as well as beneficial.

Q And the public is the one hundred ninety-one customers you say that would be transferred?

A I think the figure is closer to a hundred seventy-seven. I would prefer, again, that Mr. Dorsett answer those questions.

Q Where do those people live?

MR. WHITE: We will offer a witness on this particular phase of it, Judge. He is more familiar with it. We will offer Mr. Dorsett as the next witness.

MR. DOBBINS: Mr. LeSueur doesn't know?

MR. WHITE: I don't believe he does. I don't believe he has examined the records as such.

WITNESS LESUEUR: That is correct. I could not give you an accurate answer by number.

BY MR. DOBBINS: (Continuing)

Q So you really don't know how many customers?

A I did not make that survey, no, sir.

Q Who did make the survey?

A Mr. Dorsett.

Q You said that the now revolving charge that you have a free loan for twenty-five days?

A We don't charge the customer until the first billing cycle.

Q That's what the statute says, isn't it?

A That's exactly right.

Q That's the same as the banks do on their credit cards?

A That's right.

Q So you aren't really offering anything unusual?

A Except we would be the first unique company --

Q First small loan service?

A -- to offer that service in the Waynesboro area or Staunton.

9

LeSueur - Cross

Q So you would be in a position to offer small loans and large loans and mortgage loans and revolving credit or credit card loans just like the banks?

A Very similar, yes, sir.

Q You wouldn't take deposits would you?

A No, sir.

Q So, then, that would be the principle way you would differ from banks, you just wouldn't take deposits?

A Well, I wouldn't say the principle difference because we will not take utility bills. We would not finance -- we would have a set limit which I'm not so sure the banks have a set limit. We do not compete with the full banking services of a bank.

Q You mean, you wouldn't take utility bills?

A That is correct. We are offering as many services as the law will provide.

Q So, with these services I think your testimony was that you would, then, be in a position

to meet competition with the banks?

A To a large extent.

COMMISSIONER SHANNON: You make revolving credit available to a broader base of customers than, say, a bank would under its charge card/credit card plan?

WITNESS LESUEUR: No, sir. I would not say it was a broader base. But it's a comparable base, depending on the area.

COMMISSIONER SHANNON: I mean, would you extend it to people, say, of certain economic levels that perhaps the banks would not?

WITNESS LESUEUR: Yes, sir.
Yes, sir.

COMMISSIONER SHANNON: Because I don't think the bank will issue a credit card to just anybody will it?

WITNESS LESUEUR: Well, Your Honor, we don't try to either, but --

COMMISSIONER SHANNON: I know,
but I guess my question is, you have
certain people that are limited in
their income. Can they get credit under
the revolving plan from you that they
cannot from one of the Waynesboro banks?

WITNESS LESUEUR: Yes, sir, I
would say that is true.

BY MR. DOBBINS: (Continuing)

Q I'm interested in that. You mean you
can issue a card that a bank can't issue?

A I would say that we -- either our
revolving charge would issue, similar to the small
loan business, a card that would -- that offers a
larger risk than the banks. Yes.

Particularly where our Ben charge
is concerned, because the entire operation is
funneled through our Ben charge operation. So, to
segregate, or discontinue, or to eliminate a certain
group would not be feasible or practicable under
our Ben charge operation.

Q Would you be able to lend to a class

1 of customers in Waynesboro that would be in the
2 lower economic strata than you were able to lend
3 in Staunton?
4

5 A I would say not, because I believe
6 the economic conditions of Waynesboro is higher or
7 better than Staunton, particularly the employment
8 and payroll element.

9 Q Do you know about the employment in
10 Waynesboro?

11 A Well, I can only judge from what I've
12 been able to ascertain from the Chamber of Commerce
13 and my own personal investigation, which I have
14 done. True to that statement is the fact that
15 there have been two recent banks in the last two
16 years. These two banks have made extensive studies.
17 As you well know, from research and analysis, the
18 banks just don't go in anyplace unless their
19 services are considered convenience and advantage.

20 And, under those studies is part of
21 the reason I make that comment. The economic back-
22 ground does show that it is a bit stronger than
23 Staunton.

24 Q You would be willing to be proven
25

1
2 wrong on that, would you?

3 A I can always be proven wrong.

4 Q And you say there have been --
5 there haven't been new banks going on, just --

6 A Two, what I consider, branches,
7 similar to Beneficial. They are new to the
8 community.

9 Q Okay. So, if you have eight branch
10 banks that's the same as having eight Beneficial
11 locations, right?

12 A Not in the same locality. If you
13 have a branch bank in Staunton and a branch bank
14 in Waynesboro, it's both communities individually,
15 the same as we would.

16 Q Suppose you have eight branch banks,
17 or banks, in Waynesboro. Wouldn't that be the same
18 as having a Beneficial office in Waynesboro?

19 A As having one, yes.

20 Q Okay. That's why I say they are
21 comparable.

22 A Oh, yes. Excuse me.

23 Q Mr. LeSueur, when you applied for
24 this license, according to Mr. White's statement, you
25

1 expected to close up the Staunton and the Crozet
2 offices and transfer everything into that Waynesboro
3 office if you got the license?
4

5 A That was our original intent, yes,
6 sir.

7 Q Would you have applied for this
8 license in the first place if you had realized that
9 you weren't going to close those offices out?

10 A I'm not sure. It would be a head-
11 quarters decision. Our original intent was to close
12 and consolidate because of the geographical location,
13 plus the fact that it was far superior, in our
14 opinion, in its growth to the other two locations.

15 I may add that at that particular
16 time --

17 Q The other two of your Beneficial
18 offices?

19 A Yes, sir. And there was no opposition
20 to this point.

21
22 COMMISSIONER SHANNON: Do you
23 still intend to close the Crozet office?

24 WITNESS LESUEUR: No, sir. As Mr.
25

White indicated, we were locked in, or
got locked into, a lease problem.

COMMISSIONER SHANNON: I thought
that was at Staunton.

WITNESS LESUEUR: Both places.

COMMISSIONER SHANNON: Both
places?

WITNESS LESUEUR: Yes, sir. We
had to sign two-year leases.

COMMISSIONER SHANNON: How long
did you have to extend in Staunton?

WITNESS LESUEUR: Two years.

COMMISSIONER SHANNON: The same in
Crozet?

WITNESS LESUEUR: Yes, sir.

BY MR. DOBBINS: (Continuing)

Q Do you think you would want to go to
Waynesboro if you couldn't make anything but small
loans in Waynesboro?

A I would say that is a distinct possibility,
although I would have to say that the last finance
operation that came into Waynesboro in just nine years

has exceeded their original operation in Charlottesville and is still growing by accounts and dollars.

Q You mean, Mr. Parks?

A Yes, sir.

Q Well --

A I think that's public record, of course, from the Department.

Q But if that were not true, would that change your view at all?

A I couldn't answer that question. To give you a personal opinion, Mr. Dobbins, if you like and if it would be helpful, I don't think it would because we are out to serve the public on a full basis, and we feel we have something to offer in the other fields that is not presently being offered.

Q So, your personal testimony is that if you couldn't offer anything but small loans you would not apply in Waynesboro?

A That's my personal opinion, yes, sir.

COMMISSIONER HARWOOD: Mr. LeSueur,

1
2 what would be your feeling if the
3 Commission should grant this office
4 in Waynesboro conditioned on closing
5 the Staunton/Crozet offices at the
6 expiration of the two-year leases?

7 WITNESS LESUEUR: Well, Your Honor,
8 I couldn't answer that. I could not
9 answer for my company, because I don't
10 know. Again, Crozet was a purchase
11 office from Blue Ridge Finance. And
12 at this point, the exposure and experience
13 of Charlottesville as well as Crozet,
14 we just don't have it in our background
15 to determine if we can make it there,
16 particularly Crozet and not Charlottesville.

17 The Staunton operation has been
18 not anything exceptional. It has been
19 pretty stable. So I imagine at the end
20 of two years that will be a decision of
21 operation. I hate to be evasive, but
22 I could not answer that question right
23 now.

24 COMMISSIONER HARWOOD: Certainly.
25

1
2 MR. DOBBINS: I might say, we
3 would have some view on that, too. We
4 would oppose that.

5 WITNESS LESUEUR: I will answer
6 the question if I can expand on that just
7 a little bit. I would say that Crozet,
8 from a personal opinion, is not indusive (sic)
9 to our type of operation as the Cities
10 of Charlottesville, Waynesboro or Staunton
11 would be.

12
13 BY MR. DOBBINS: (Continuing)

14 Q But you knew that when you bought
15 it.

16 A Well, when you are buying a package
17 you can't leave out the groceries, I guess. And
18 Blue Ridge Finance was selling these offices as a
19 dual purchase. And we could not purchase Charlottesville
20 and leave Crozet to someone else.

21
22 COMMISSIONER HARWOOD: Mr. Schutt.
23
24
25

CROSS EXAMINATION

BY MR. SCHUTT:

Q A little while ago, you said that there was a distinct possibility -- and I didn't understand whether you said that you would not go to Waynesboro given the situation that you could only do small loan lending and not the whole package.

You did say you would not, or would?

A That was a personal opinion, that we probably would not. One reason I think is obvious, or indicative, of the fact that we have not gone there before until we were able through the approval of our dual business operation to offer other services.

Q Following up on what Judge Shannon was asking you, is there a difference in your mind between the economic category of borrowers that you-all extend the small loan credit to and those to whom you extend open-end credit?

A If I understood the question, Mr. Schutt, that wasn't exactly the question. There is a difference between open-end credit, sir, and the

small -- between the open-end creditor and the small loan creditor.

I understood Judge Shannon to ask me if it was a difference of the open-end extension of Beneficial as opposed to, or compared to, the banks.

Is that correct?

(Judge Shannon nodded in the affirmative)

Q Now, I'm asking you, are they two different groups of economically circumstanced people?

A Yes, as far as the small loan and the revolving. Yes. Again, Mr. -- I prefer Mr. Dorsett, as an operator, to answer that question. But that's my personal opinion. Yes.

Q I understood that there was the implication that there was a difference between the standard of credit worthiness for Ben charge credit as opposed to open-end under the blank check?

A No, sir. They are basically the same with one exception. If we handle a department store complete line, or an electrical appliance place, completely, we would try to extend additional services because of the dealer, as opposed to rendering

an individual Ben charge card to a customer. That's the only distinction.

Q Then, as -- is the merchant, then, entering into the picture as to deciding who is credit worthy or not under those circumstances?

A To some extent, but we still have the decision to make.

Q When you say that you are handling, in an electrical appliance place, for instance, completely, do you mean to the exclusion of other credit cards?

A No, no. It has nothing to do with other credit cards. It's to the extent that he would naturally prefer to handle the larger percentage of his business, and in the event we could not handle, say, ten percent of it he would have to go elsewhere. If we chose to handle, say, ninety percent we would try to meet that figure as closely as possible.

That's the only extent that I'm making reference to.

Q I'm not sure I understand that.

A Okay. If the -- if we sign a Ben charge customer --

Q You mean a merchant?

A That's right. Say, it's at a department store, say, Thalhimers here in Richmond, hopefully we would try to be a full service operation. And he would say: Do you think you could handle ninety percent of our paper, or ninety percent of our customers.

Well, judging from the investigation of the analysis, we feel that we could. We try to get as close to that ninety percent as possible.

And it would differ somewhat from just rendering a Ben card charge or open extension card, not Ben charge, to a customer at random.

Is that a little clearer?

Q But, if he can also accept the bank credit cards, what other situation could there be?

I mean, is the agreement that he not offer his own revolving plan?

A No. The remaining portion of the business, of course, has to be decided by the dealer. He could offer anyplace.

MR. SCHUTT: I think I'm out of
my league.

I don't have any further questions.

COMMISSIONER HARWOOD: All right.
Anything further of Mr. LeSueur?

MR. WHITE: Yes.

REDIRECT EXAMINATION

BY MR. WHITE:

Q You say if an electrical man wanted to sell an antennae on top of my house, could I go down there with a Ben charge and get an antennae charged and installed on my house?

A That's correct.

Q So, he can sell some services along with his merchandise?

A No question about that, yes.

RECROSS EXAMINATION

BY MR. DOBBINS:

Q Have you made any survey as to what has happened in Waynesboro as far as other credit extenders, second mortgage companies, or things like -- things of that nature?

A There are facilities for second mortgage business in Waynesboro.

Q And --

A You have one industrial loan company in Waynesboro.

Q Do you know that there have been two second mortgages that have closed up in Waynesboro in the last year?

A No, sir.

MR. DOBBINS: That's all.

COMMISSIONER HARWOOD: All right.

Thank you, Mr. LeSueur.

You are excused.

* * * * *

WITNESS STOOD ASIDE

FRANK PAUL DORSETT, JR., a witness
called by and on behalf of the Applicant, having
first been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WHITE:

Q State your full name and residence,
please.

A Frank Paul Dorsett, Jr. I live at
11608 Buckhurst Street in Chester, Virginia.

Q And what is your position with
Beneficial Finance?

A I am a Field Supervisor. I have
twelve offices in the State of Virginia. I've
been in that capacity for about eight or nine years
and been with Beneficial and in the consumer finance
industry for twenty-three.

Q Are you in charge of the Staunton/Crozet/
Waynesboro area?

A Yes, I am.

Q As such, have you made an investigation
as to the population trends and the location?

1
2 A Well, I graduated from high school
3 in Waynesboro, Virginia in 1949. And at that time,
4 you could stand on the corner down at Fisher's Drug
5 Store and see everyone, and you knew everyone you
6 saw. I played sports there, and you didn't see
7 anyone on Saturday morning that you didn't know.

8 Since that time, I went down in
9 Tidewater and, then, up in Maryland. Oh, I guess
10 ten years later, ten or fifteen years, after I
11 finished high school, believe it or not, I couldn't
12 find my way around Waynesboro; it had grown so much.
13 But it was seventy-five hundred, I think, at that
14 time. And last, according to who is right, I think
15 it ran anywhere from sixteen thousand, sixteen five,
16 to seventeen thousand people now.

17 Q All right. Do you have some literature
18 here that you got from the Chamber of Commerce showing
19 statistics and a map showing the --

20 A Yes, sir, particularly the statistics
21 from the Chamber of Commerce we thought would be
22 pertinent information.

23 Q You got something from one of the
24 banks, too?
25

A Yes. They put out an Almanac.

Q That has the statistics in it, too?

A Yes, sir.

Q All right. While these gentlemen are looking these items over, would you tell the Commission, please, whether or not you have charge of the Staunton and the Crozet office? Are they in your --

A Yes, sir.

Q Have you made a study as to how many accounts you would transfer from those two offices into Waynesboro office if the people so desired?

A Well, I have right many in the Staunton office but I don't have -- maybe one in Crozet, because it's over the mountain.

Q All right. Just tell us what you have in Staunton?

A In Staunton, we have a total of one hundred seventy-seven accounts for one hundred eighty-nine thousand sixty-one dollars and fourteen cents. I ran this last week when I was in there on a regular supervision.

Q And would those accounts be transferred

to the Waynesboro office if they so desired?

A Yes, sir, they would.

Q Have you broken those accounts down to indicate what they are?

A Yes, sir.

Q What are they?

A All right. Revolving accounts, that's the line of credit. Revolving accounts, it's ten accounts for twenty-nine thousand and twenty dollars and thirty-six cents.

Q Just round them off.

A Twenty-nine thousand; that's with the Waynesboro addresses. We have five accounts that are in the Waynesboro area. When I say that, they would be either in Lyndhurst, Stuarts Draft, Elkton, Grottoes, one of those surrounding communities that would be closer to Waynesboro than Staunton.

In the small loan category with Waynesboro addresses, we have eighty-three accounts for seventy-nine thousand dollars.

In the cities surrounding Waynesboro, closer to Waynesboro than Staunton, that we would transfer in that small loan control would be forty-five

accounts for forty-three thousand two hundred. And that countrol would be a total of one hundred twenty-eight accounts.

Our installment sales contracts with Waynesboro addresses, ten, for two thousand dollars. And ISC, installment sales contracts, in the Waynesboro area with three additional accounts for another thousand. So you are talking about three thousand dollars in thirteen accounts.

Q Well, let me just kind of squeeze this down a little bit for the Commission.

The one hundred seventy-seven and the hundred eighty-nine thousand dollars included all these accounts in these various services?

A Yes, sir.

Q All right. And you have the actual breakdown, whether it's a small loan account or whether it's revolving?

A Yes, sir.

MR. WHITE: All right. I submit to the Commission, I don't believe that would be particularly helpful.

MR. DOBBINS: What did you say?

MR. WHITE: I don't believe --
well, let's go over every one and each
of them.

BY MR. WHITE: (Continuing)

Q Tell us which one of those accounts
and what it is. I don't want to cut anybody off.

A Well, we've gotten through the instal-
lment sales contracts. I wasn't sure at the time that
I was running the survey, until I could find out
whether Grottoes would be closer to Waynesboro or to
Staunton, and I found out that it is closer to
Waynesboro. And we have an additional eighteen
accounts with twelve thousand dollars living in
Grottoes that would be transferred to Waynesboro.

That's in the small loan control --
I mean, installment sales contracts. Revolving
accounts in Grottoes, we have three accounts for
twenty thousand dollars.

So, all of those added together, we
have a grand total of one hundred seventy-seven
accounts for one hundred eighty-nine thousand dollars.

I did not include Fisherville, because that's --
I think that would be served -- it's in the middle,
and I didn't know where it would be more convenient
for the customer.

Q Middle of what, of nowhere?

A Between Waynesboro and Staunton.

Q And how many were they? I'm sorry.

A I had seven accounts for approximately
six thousand dollars.

Q All right, sir. And while you were
there making your investigation, did you get some
statistics from the Chamber of Commerce?

A Yes, sir.

MR. WHITE: All right. We would
like to submit these for the Commission,
and mark this Beneficial Exhibit Number 1,
please.

COMMISSIONER HARWOOD: I've used up
1 and 2 previously. I think it will be
Exhibit 3.

Let's mark this for identification
as Exhibit -- Statistics-Waynesboro, Virginia,

Exhibit 3-A. I assume there are some others. And we can take the Exhibit 3 and, then, go through the alphabet.

MR. WHITE: That would be fine, sir, because all of these are basically statistical compilations.

BY MR. WHITE: (Continuing)

Q All right, the next exhibit speaks for itself pretty much, I take it, doesn't it, Mr. Dorsett?

A Yes, sir.

MR. WHITE: We submit that for showing the population there is estimated at sixteen one hundred and the trading area population at one hundred twenty-five thousand.

COMMISSIONER HARWOOD: Mr. Dorsett, is that a typo, or is the area of the city in square miles this seven thousand four hundred sixty-seven?

WITNESS DORSETT: I think that's --

COMMISSIONER HARWOOD: That seems to be extremely large for the City of Waynesboro.

WITNESS DORSETT: That's the whole Valley, I believe. That's Augusta County, I understand.

MR. DOBBINS: I trust the Commission will read the statistics in the light in which they are offered.

COMMISSIONER HARWOOD: We always do that. We will mark the aerial photo of Waynesboro, Virginia as Exhibit 3-B.

MR. WHITE: We probably ought to have a topographical map, too, to show the mountains you've got to go over when you get to these various places.

BY MR. WHITE: (Continuing)

Q All right, sir. Now, did you get an aerial photo, Mr. Dorsett?

A No, sir. I did get this map that gives the Staunton/Waynesboro area and the counties.

Q All right, sir. And that is an aerial

photo, isn't it?

A Yes.

MR. WHITE: We ask that that be
marked as 3-B.

COMMISSIONER HARWOOD: That will be
received.

MR. WHITE: And we have one that
has been put out by the Planters Bank.

We ask that be marked 3-C.

COMMISSIONER HARWOOD: That will
be 3-C.

MR. DOBBINS: The Almanac is 3-C?

MR. WHITE: Yes. The Almanac is
3-C.

BY MR. WHITE: (Continuing)

Q I ask you to turn to the first full
printed page on there, Mr. Dorsett, called "History
of the City" and look on the far right-hand page of
it, and next to the last sentence on that page, if you
would read that, please?

A "Since then the growth and expansion of

1 industry has been steady with the result that the
2 population of Waynesboro has increased more than
3 fourfold since 1923, moving from something over three
4 thousand at that time to the present estimated eighteen
5 thousand five hundred."
6

7
8 MR. WHITE: We offer that to show
9 that the banks can make mistakes, too,
10 Judge. In any event, to substantiate his
11 statement from sixteen thousand to seventeen.
12 This one even goes to eighteen five.

13 But, in truth, on the next to the
14 last page there are statistics about
15 Waynesboro which comes down to seventeen
16 thousand.

17 MR. DOBBINS: This is even more
18 phenomenal, because this says it was
19 sixteen thousand people living there,
20 eighteen thousand working.

21 MR. WHITE: Well, for whatever,
22 we offer this. It's not a population
23 battle. I must say that right from the
24 beginning we have never contended it was.
25

COMMISSIONER SHANNON: Mr. Dobbins, I see the earlier settlers were very fine people.

MR. DOBBINS: I'm particularly interested in Page 19, which I wish I had read a long time ago. It says: Seven Ways to Reduce the Risk of Heart Attack.

MR. WHITE: This may be the most beneficial exhibit that Beneficial has ever offered.

COMMISSIONER SHANNON: There is a lot of interesting information.

MR. DOBBINS: I also notice that I'm delinquent in my immunization.

BY MR. WHITE: (Continuing)

Q Did you receive a letter from the Chamber of Commerce?

A Yes, sir.

MR. WHITE: I think I've shown this.

MR. DOBBINS: I have seen it, and I

1
2 have no objection to it being passed to
3 the file, but not as an exhibit.

4 MR. WHITE: Well, we would ask
5 that -- we are welcome there by every-
6 body except competing small loan
7 companies.

8 COMMISSIONER HARWOOD: Well, we
9 will pass the letter to the file. I
10 assume the writer of the letter is not
11 present. We will pass it to the file.

12 MR. WHITE: All right, sir.

13
14 BY MR. WHITE: (Continuing)

15 Q You have got a lease conditioned on
16 you getting this application?

17 A Yes, sir.

18 Q Now, we have the landlord here, Mr.
19 Jones?

20 A Yes, sir.

21
22 MR. WHITE: All right. We will save
23 the statistics about that for Mr. Jones.

24 Answer these gentlemen's questions.
25

CROSS EXAMINATION

BY MR. DOBBINS:

Q There was one hundred seventy-seven people. How did you tell which were the hundred seventy-seven that had Waynesboro addresses?

Do you have a computer?

A No, sir. Manually.

Q And what did you take, zip codes?

A No, sir. I took the City itself.

Q You took within the City?

A Yes.

Q And what was your total number of small loans, disregarding all that other stuff?

A Okay. With Waynesboro addresses was eighty-three accounts of seventy-nine thousand.

Q Okay. That's just Waynesboro addresses.

A That --

Q Okay. That's all?

A With Waynesboro addresses, ten accounts in revolving control for twenty-nine thousand.

With Waynesboro addresses, installment sales contracts, ten accounts for two thousand dollars.

And that's all I have, exclusive of all other addresses.

Q On installment sales contracts, Mr. Dorsett, am I right in my belief that it doesn't make any difference where the man who is buying the merchandise lives? It depends on whether you have an arrangement with the dealer; isn't that right?

A Yes, sir. Well, it has to be within a certain area.

Q So, these ten -- however many it is -- on your installment sales contracts, they might -- they could have bought some merchandise right next door to your Staunton office; isn't that right?

A They could have; these bought lived in Waynesboro.

Q These bought from stores in Waynesboro?

A No. You said they could have bought and lived in Staunton. They could have, yes.

Q But what store did they buy this merchandise from? Where was the store?

A These particular -- I believe some of these were in Elkton.

Q Elkton? Okay. Tell the Court where

Elkton is in relationship to Waynesboro.

A Well, it's -- I guess it would be east--
northeast.

Q That's in Rockingham County?

A Yes.

Q Would you say -- would twenty miles be
about right, or is it further than that?

A I think about twenty miles.

Q And there is a small loan office in
Elkton, isn't it?

A I'm not sure.

Q You wouldn't deny it if I said that
Ritter has an office there, would you?

A That's right. They do.

Q And so if those people wanted to make
a small loan there, right there -- and what about the
people who have the small loans in the Staunton office
with Waynesboro addresses?

Where do they work?

A Most of them work in Waynesboro.
Dupont, Thiokol, that type.

Q They don't work in Verona or any of
those places?

1
2 A They could.

3 Q You don't know where they work?

4 A Well, I would assume most of them
5 work in Waynesboro.

6 Q Do you know where they work?

7 A I didn't run that survey. I didn't
8 put down, you know, where they worked.

9 Q Incidentally, Grottoes is right far north
10 of Waynesboro, too, isn't it?

11 A Well, the 3-A says sixteen miles to
12 Waynesboro and twenty miles to Staunton.

13 Q Not too much difference?

14 A No.

15 Q Isn't it also a matter of fact that
16 Stuarts Draft is considered a part of Staunton in
17 the same telephone book, isn't it?

18 A Yes, sir.

19 Q The answer is yes?

20 A (Witness nodded in the affirmative)

21 Q And do I understand you to say that
22 you don't have any Waynesboro people in the Crozet
23 office?

24 A I didn't run a survey over there. But
25

the last time I was up there they just had a very few number of accounts. I think it was about one hundred fifty, and I noticed one that lives in Waynesboro. I asked the Manager to run it, and he said he just found the same one.

Q Mr. Dorsett, this information that was attached to Beneficial's application says that your Staunton office has not been very successful.

Is that right?

A Yes, sir.

Q Why not?

A Possibly could have been management.

I don't think it was as much industry around Staunton as there is in other locations in the Valley. The unemployment usually is higher in Staunton.

Q But do you know that that's true now, or --

A I don't know what the conditions are now, presently.

Q Well, as a matter of fact, Staunton is really the larger community, isn't it? More shopping and more -- county court and so on?

A I don't know for a fact, but I, knowing and

being in both cities, I wouldn't think so.

Q You wouldn't? But, you don't know?

A No, sir, I don't know for a fact.

Q How long has it been since you lived in that community?

A A long time, since '49.

Q When were you last up there?

A Last week.

Q Do you go to Staunton all the time?

A About every three or four months.

Q Do you go through Waynesboro normally, or do you just go up --

A I sometimes stop and talk to friends that I have, usually a night or a day. I spend some time in Waynesboro.

Q Why do you think you would prosper in Waynesboro if you haven't prospered in Staunton?

A I don't know. Maybe --

Q You wouldn't have any different mode of operation, would you, Mr. Dorsett?

A No, sir, I don't think so. About the same.

Q You couldn't lend to people of lesser

economic ability there than you could in Staunton, could you?

A No, sir.

Q Now, do I understand that you have any offices that you now supervise -- have any offices that you now supervise, do they have a revolving credit in operation?

A Yes, sir, all except the Crozet and, we mentioned before, in the Charlottesville area which we haven't established that line of credit yet.

Q Let me ask you this. If you were to move one hundred seventy-seven people out of Staunton into Waynesboro, wouldn't that be disastrous to your Staunton office?

A No, sir, I don't think so.

Q It wouldn't? How many accounts do you have?

A Six hundred and eighty-one. That would be about a fourth of our accounts that we would transfer.

Q Well, if your office in Staunton is not very successful now, that's going to make it very unsuccessful if you take out one hundred seventy-seven accounts?

1
2 A Well, we have -- in recent years we
3 have made some adjustments to operating that weren't
4 effective prior to our taking over those offices.

5 Q In Staunton?

6 A Yes, sir.

7 Q When did you take over the Staunton
8 office?

9 A I took over Staunton -- I've had them
10 now four years.

11 Q So, if you were going to do anything
12 dramatic in Staunton it would already have been done,
13 wouldn't it?

14 A Well, sometimes you can't do it
15 overnight.

16 Q Well, four years is hardly overnight.

17 A No, sir.

18 Q And, do you have any data on how much
19 your Staunton office has grown in the last four years,
20 Mr. Dorsett?

21 A I have it, but I don't have it with
22 me.

23 Q You say you are going to transfer these
24 accounts. You don't transfer them unless the people
25

1
2 want to transfer them?

3 A No, sir.

4 Q That's at the option of the borrower?

5 A Yes, sir.

6 Q And if he works in Staunton he might
7 want to stay in Staunton?

8 A Could be.
9

10 MR. DOBBINS: No further questions.

11 COMMISSIONER HARWOOD: Mr. Schutt.
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CROSS EXAMINATION

BY MR. SCHUTT:

Q Mr. Dorsett, how do you assess the various categories of credit worthiness between straight small loan lending, Ben charge and open-end credit by blank check?

A Well, it's really not a lot of difference other than the fact they come under different controls. Your Ben charge is exclusively set up with dealers. And there would be no variation of credit policy, really, other than the ones you would follow in small loans.

The revolving credit, we establish a line of credit up to thirty-five hundred dollars. That possibly you would grade with a little -- you would have to look at it from a stability standpoint more so than you would from the strictly small loan. And, of course, your mortgages is entirely different.

Q Is it your impression that it would be people who couldn't get a line of credit through a bank, a credit card, that could get a line of credit on your open-end credit?

A Yes.

Q You think so? You think your standards are not as high as the banks?

A Well, we look at them a little bit differently. Sometimes we make them that they won't, and sometimes they make them that we won't.

MR. SCHUTT: I think that's all I have of this witness.

COMMISSIONER HARWOOD: All right. Anything further of Mr. Dorsett?

MR. WHITE: Yes.

REDIRECT EXAMINATION

BY MR. WHITE:

Q You-all have just added these other services in the last year in Staunton, haven't you?

A Yes.

Q In other words, the last four years in your Staunton operation you've just added these new services?

A Just added these last June.

Q All right, sir. So you don't even have a full year's experience?

A No, sir. And I might add we are doing pretty well. But, who knows.

MR. DOBBINS: One more?

COMMISSIONER HARWOOD: Yes.

RECROSS EXAMINATION

BY MR. DOBBINS:

Q How do you account for the fact that the banks are now offering such strong competition for the small loan company?

A Well, back some years ago, you know, we couldn't get a consumer loan at the bank. And I think they realized some years ago that they made a mistake. And now they are after that business just like the same public we have been serving all this time, now they want.

Q So, banks are now competing just like other small loan companies?

A Yes, sir.

Q Irrespective of any credit philosophies or policies, you and the banks are dog-eat-dog, aren't you?

A No, I wouldn't say that.

Q Well, you are after the same people.

MR. WHITE: Central isn't going to like that sort of application applied to it.

WITNESS DORSETT: We've got friends
at the bank.

BY MR. DOBBINS: (Continuing)

Q You are after the same borrowers?

A We are all after business, basically
the same customers.

Q Credit unions, too?

A Yes, sir.

Q I guess that applies to the industrial
loan companies?

A Yes, sir.

MR. WHITE: All right. Stand down.

COMMISSIONER HARWOOD: Thank you,
Mr. Dorsett.

* * * * *

WITNESS STOOD ASIDE

COMMISSIONER HARWOOD: We are going
to take a ten minutes recess.

NOTE: The Commission is recessed
at 11:32 o'clock A.M. Thereafter, the
Commission is again in session at 11:42
o'clock A.M. and the hearing continues
as follows, viz:

MR. WHITE: Gentlemen of the
Commission, Mr. Jones is our next witness.

MALCOLM G. JONES, JR., a witness
called by and on behalf of the Applicant, having
first been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WHITE:

Q State your full name and residence,
please, sir.

A Malcolm G. Jones, Jr. I live at Route 1,
Waynesboro, Virginia.

Q What is your educational background,
Mr. Jones?

A I attended the University of Virginia,
received a B.S. degree in Mechanical Engineering, also
took courses in business while attending the University.

Q And who was your first employer?

A I worked for the Dupont Company at
Harlem, New Jersey as a Productions Engineer, research
work, and then sales, of all things, with Dupont before
leaving to come back to Waynesboro, having been born
in Waynesboro originally.

Q So, Waynesboro is your home?

A Yes, sir.

Q How long have you been back in
Waynesboro?

A I returned to Waynesboro approximately
sixteen years ago, this Summer coming up.

Q And what is your business now?

A I am President of Barnwell and Jones,
Incorporated, which is a real estate and insurance
agency, located and doing business in the Waynesboro
and surrounding area.

Q Do you have various business interests?
Let me lead you a little bit.

A Yes, sir. Actually, I'm involved
primarily for my own major time is devoted to the
development of commercial and industrial real estate
type of properties. And I do have other business
interests in commercial businesses that I've had some
participation in as far as development and starting in
business.

Q I believe you are a Director of --

A Planters Bank and Trust Company.

Q The one that gave us this? (Displaying
Exhibit 3-C)

1
2 A Yes, sir. I also serve on two other
3 Boards in the Valley area. One is a wholesale grocery
4 chain, and the other is a furniture manufacturing
5 company.

6 Q Are you interested in statistics, or
7 work with statistics, too?

8 A If you are in the commercial real estate
9 business, like any other business, if you are dealing
10 with commercial properties you have to deal in
11 statistics. Yes, sir.

12 Q Does that include the population growth
13 and things of that nature?

14 A Yes, sir.

15 Q Have you been affiliated with the Chamber
16 of Commerce in that area?

17 A Our firm has been a member of the Chamber
18 of Commerce actually prior to the time that I joined
19 the company, and most of my business interests also
20 hold membership in the Chamber of Commerce.

21 I've served on the Chamber Board of
22 Directors four different terms for a total of approximately
23 ten years, ten and a half years, and have served in the
24 Vice-President capacity on three occasions. I was
25

President of the Chamber as well.

Q Tell me now a little bit -- you are the real estate agent for the shopping center?

A Yes, sir. And I do have an ownership interest in the property, too.

Q Tell the Judges, if you will, please, something about this shopping center.

A King Plaza, which is sometimes referred to as King Plaza East, is a small strip center, purely a neighborhood center type of complex, presently has seven tenants, coin laundry, Radio Shack, beauty shop, a bakery shop which actually happens to be the location that is subject to this application, a pet supply shop, a commercial glass and mirror, sales and commercial installation type of business.

I believe that covers all of the businesses that are there.

Q Now, are you familiar with the housing in Waynesboro, whether or not there has been an increase in housing there?

What is the situation?

A Of course, being in the real estate business, we are involved. We have a Residential Sales

Department that actively works in residential sales.

So I think, yes, I am familiar with --

Q Tell what has happened to the home building industry, if anything has happened?

A Well, over the years I think Waynesboro has enjoyed a good steady growth. It's not been as spectacular as Charlottesville or some of the major areas. But I think there has been a continuous and steady growth.

Waynesboro's population -- I, of course, heard a lot of testimony about the various population figures. I personally had estimated it around sixteen thousand seven hundred or so at the current time. I think the important thing is that the population density -- in other words, occupants per household -- has decreased in Waynesboro.

And this is the reason for the stability of the population in Waynesboro. We have been faced, like a lot of other communities in the State of Virginia, with annexation problems. It is totally impractical for the City of Waynesboro to do any further annexation. I believe the last time anything was annexed was shortly after the General Electric Company came to

Waynesboro in the mid-50s.

And for all practical points, the County has been doing a good job of providing schools and other facilities. And there has been no real justification towards annexation. And, as a result of that, a large number of families, such as my family, we moved to the County four years ago. And the people that moved into our house had only one child, and I had three children. So there was a decrease in the population there of two.

And we have seen this quite a bit in our real estate business. It's a desire on the part of a large number of people to own property in the County and to have a little bit more space. More often than not, those folks do have two and three children, and quite often they are replaced by older people who, if they do have children they are grown and away at school or married.

I think this is the reason the population has grown steady. Augusta County, in population, has been growing at a very steady pace. Not astronomical, but one that is good for business, I think.

Q What do you estimate the population of

Augusta County to be?

A I believe Augusta County is around somewhere between fifty-six and sixty thousand. And the population center for Augusta County, not including the City of Waynesboro, Staunton, is located approximately in Fisherville. So a goodly portion of this population density is located right in the area between the two communities. Stuarts Draft, Fisherville, and Lyndhurst, being some of the primary areas. Verona. The primary areas provide a lot of the support population as part of the County total.

Q Mr. Jones, there has been some statement made that GE is closed and there is high unemployment. Would you explain to the Commission what GE's plans are about that?

A I was a little surprised at the percentage of unemployment, although I certainly don't challenge it because I do not know the current unemployment level in Waynesboro.

The General Electric Company, however, over the last few years has been making some major changes in their basic organization in the community

of Waynesboro at that plant. Originally, for many, many years, this plant had three different product lines. And they literally had vertical management with their plant manager for each of these product lines within the organization, and they pretty much ran with their own sales organization and general manager.

And basically the only crossovers obviously would be just on plant maintenance and whatnot. But, otherwise, they were vertical management.

They moved one of these divisions to Salem, Virginia about three years ago. And at that time we had a fair amount of unemployment. They were, I think, in most cases offered an opportunity to move down to Salem if they wanted to with a division that moved down there.

And this past Fall, an announcement was made that they were moving the other division, or the second of the three, to Charlottesville, Virginia. And so we have been going through the same thing. They have been moving all of the management people over to Charlottesville. They

1 have offered jobs in some cases to people that might
2 want to communicate to Charlottesville, as far as
3 the blue collar workers, the hourly people.
4

5 But I think a majority of them have
6 been seeking employment in the Waynesboro area,
7 and I do believe that there is a strong change.
8 Part of this was motivated by need for additional
9 working space. They did not want to expand the
10 plant at that location but made the decision to
11 move these divisions out.
12

13 And the division that remains is
14 still a very active and I believe profitable part
15 of the Company. And it's my understanding that
16 once this move is out, that these people will be
17 reemployed if this particular division that remains
18 continues to enjoy economic success.
19

20 COMMISSIONER HARWOOD: What
21 would be the main product of GE?

22 WITNESS JONES: Lycra. It's a
23 new product out. That's one of their
24 major products.
25

BY MR. WHITE: (Continuing)

Q Right. As a businessman there, have you had a problem with getting credit, not for your real estate, but credit for your business and other businesses there?

A I am involved with a business that operates in Centre for Shopping which is the largest shopping center currently in the Waynesboro area. It's a retail clothing store, and as a means of trying to broaden the financial base of the business without necessarily having to put in more working capital, we found that the accounts receivable were, of course, building up, not alarmingly so. We were running with accounts that were thirty to forty-five days in terms of relative gross sales.

We had to grow, of course, inflation forcing you to have more dollars and just to carry the same number of units, clothing in the store, meant ten percent more working capital. And, so the choice was to either try to seek a higher line of credit with the bank with whom we were working, to just plain put in more cash on the part of the stockholders, or, in the third alternative that

1 was offered, was a facility similar to the one that
2 is offered by Beneficial. General Electric Credit
3 Corporation, wherein they issue a credit card under
4 the name of the business, and the customer generally
5 really does not realize that it's anything other
6 than a house account as far as financing is concerned.
7

8 And so they are -- I know of at
9 least three, and I think there are four, businesses
10 now that have affiliated with the General Electric
11 Credit Corporation. And a service like this I think
12 would be beneficial in Waynesboro, in that the
13 gentleman that services this account I think came
14 out originally of New Jersey and is now working
15 out of Maryland.

16 So he is not readily available
17 as far as if any problems come up. And I think
18 local service would certainly be an asset to the
19 community. It provides an opportunity for small
20 businesses. It's an alternative source of working
21 capital in that you can go ahead and in effect
22 finance your credit accounts that you are handling
23 on an in-house basis in addition to what VISA
24 and Master Charge would handle.
25

And I know that with the business I am associated with, does handle both VISA and Master Charge. And I believe the other two businesses do also. So really they are available to the customer, three different types of revolving credit accounts.

Q One last item. Do people work -- does the work force move into Waynesboro from surrounding areas, or does it move out of Waynesboro into the surrounding areas?

A It works -- I think the Chamber figures will show that the industrial employment, although not all within the City of Waynesboro but within our area, is seven, eight thousand total industrial employment in the eastern end of the County. It's about ten or eleven thousand, but a large portion of it is in Waynesboro with the Dupont Company, General Electric, Thiokol, Stanley Furniture and Crompton Shenandoah Company being the primary employers. All of those, I think, have at least six hundred employees or more. Well, Stanley probably doesn't, but they are all major employers.

There actually is a man I know that

has gotten quite wealthy running a bus service from Staunton to Waynesboro to bring people over to work at Dupont, shift work, for daily workers and everything else. And they run several buses a day that run from that Staunton area over to Waynesboro.

So I would say, in answer to your question, there is substantially a larger number of the people that are dependent upon industries in Waynesboro for their employment than they are over in Staunton or any other areas. People car pool from Buena Vista down near Lexington. So, Waynesboro has had a reputation of being a good place for employment, good, stable employment, particularly with the Dupont Company because they have been there since 1921 and they have very seldom laid people off and they usually call them back fairly promptly if they do have a lay-off.

COMMISSIONER SHANNON: Whatever happened to the Safety Razor Company that was out in Fisherville?

WITNESS JONES: That's at Verona.

COMMISSIONER SHANNON: Did that

1
2 ever close down?

3 WITNESS JONES: Making money like
4 crazy for the stockholders that bought it
5 out.

6 COMMISSIONER SHANNON: The employees
7 bought it?

8 WITNESS JONES: They did.

9 COMMISSIONER SHANNON: And they
10 are making a go of it?

11 WITNESS JONES: They are making a
12 big go of it. Very successful. I happen
13 to serve on the Industrial Development
14 Authority for Augusta County that participated
15 in the financing for that plant. We
16 had an annual meeting just last week, and
17 they are doing just great, doing very well.

18 MR. WHITE: Answer these gentlemen's
19 questions, Mr. Jones.
20
21
22
23
24
25

CROSS EXAMINATION

BY MR. DOBBINS:

Q Mr. Jones, you say you think there are a lot of people coming from other places into work in Waynesboro?

A Yes, sir.

Q Like Lexington and Staunton and Elkton?

A That's correct.

Q All those places have small loan offices. I guess you know that.

A Yes, sir.

Q So they are already served where they live?

A That's correct.

Q You are -- I'm very interested in your testimony that General Electric Credit Company is offering a source of credit for Waynesboro residents, I guess?

A Yes, sir.

Q And it represents a source which is an addition to small loans for the consumer? An

addition to the small loan companies and the banks and the credit union.

The credit unions are very active, aren't they?

A Very much so.

Q As a matter of fact, isn't that Dupont credit union about the biggest one in the State?

A I wouldn't doubt it. I know I think the banks, small loan people, a lot of others rue the day they ever let them get rolling, because they do have a lot of deposits and they do make a lot of loans. But they don't have any lock on the business.

Q No. They, the banks and the credit unions, are right in there, head-to-head, aren't they?

A Yes, sir.

Q I'm sure that if they weren't, as a member of the Planter's Bank, you would see that the bank was in there making consumer loans, wouldn't you?

A Yes, sir.

Q As a matter of fact, isn't it -- I

1
2 happen to know a little bit about -- not as much as
3 some of these people in the room -- about banking,
4 but I know a little bit. And I find that the banks
5 borrowing of small loan creditors is not much difference
6 in who they lend to anymore than small loan companies.

7 Do you find that?

8 A I would -- I'm not an expert on
9 finance either. I certainly wouldn't want to imply
10 that -- I, of course, sitting, particularly on a small
11 Bank Board like that, that has day-to-day approval.
12 In other words, it's more of a working Board than
13 would be your VNB or First and Merchants. And, we
14 are actively involved.

15 And, of course, Planter's just recently
16 moved into the Waynesboro area and they rely on business-
17 men, such as myself, for references on people that are
18 looking for loans. So, I would say that we have a
19 little bit tighter policy, in many instances, on that,
20 because I see a lot of people that apply for buying
21 real estate and, of course, we try to pre-qualify
22 these people, find out with whom they have loans and
23 whatnot, and I would say that there is not an identical
24 situation. There is very definitely a very broad overlap
25

and I think the overlap has grown larger in recent years as the banks have realized that that's good business.

But, again, with a community like Waynesboro, with the industrial employment there, it -- oh, when I first came up to Waynesboro we had the third highest income per capita of any city in the State of Virginia, as reported in Sales Management magazine. I remember I cited that figure repeatedly to people as far as locating in Waynesboro. We were developing a shopping center when I first came back to Waynesboro, and Waynesboro has always had a very high average income, and it isn't because of wealth; it's because of that industrial employment. Good solid base in that community.

And, so I do think you do have the various stages of people as far as what they are qualified for in the lending capacity.

Q But, do you think there should be an unlimited number of bank branches in any community?

A Well, the State Corporation Commission lets real estate people come in and wholesale. I

1 don't know what is the answer. Is it competition
2 that will promptly limit it? I see people come
3 in and go out. And I recognize banking is dealing
4 in a far more responsible position, although real
5 estate is, too. You are dealing with the largest,
6 single investment an individual family ever makes.
7 If he backs a bum deal on a house he can get in
8 more trouble than he can with a bad small loan, as
9 far as a house, because of the financial commit-
10 ment.
11

12 Although, again, the bank and lending
13 agencies closely control that and the risk factor
14 isn't that great. I would say there possibly it
15 should be limited. I personally am opposed to over-
16 regulation. It's just a personal philosophy. I
17 think our country has been ruined by over-regulation.

18 Q But, I -- do I gather from your
19 answer that you do think there should be some
20 limitation on the number of banks in any community?

21 A Yes.

22 Q Well, do you think that that should
23 also be true as far as small loan offices?

24 A Well, they are related in some ways.
25

It's banking of a different --

Q So, I gather from that that you --
your testimony would be that you can get too many
of anything in any community?

A I can actively testify to that,
particularly the real estate business for one,
which is not regulated.

Q How many small loan companies do
you think a community the size of Waynesboro should
appropriately have?

A I'm not qualified to answer that.

Q Okay. So you really don't know
whether there is a need for one there or not?

A No, sir, I cannot answer that. I'm
not here to try to promote from that point of view.

MR. DOBBINS: No further --

WITNESS JONES: I have a selfish
interest to a certain degree and acknowledge
it.

COMMISSIONER HARWOOD: Before Mr.
Schutt begins, tell me where the King Plaza
Shopping Center is. I'm fairly familiar

with that.

WITNESS JONES: King Plaza is actually on a fairly active street. It has the third highest traffic count of any street in the City of Waynesboro.

It is a half a block off of Broad Street. Are you familiar with where the A&P Shopping Centre complex is, and Drug Fair? It really is across the street back to the east, on the east side of that street, that you would turn right at. There is a traffic light there and it also -- some of the people that come out of the Centre for Shopping on a back street called Ohio Street can come that way, too.

So, it's in a very centralized location, and it's highly convenient from the standpoint of traffic flow.

COMMISSIONER HARWOOD: And the City of Waynesboro is the city of First Planter's?

WITNESS JONES: Yes, sir.

MR. SCHUTT: I would like to note

for the record that the Commission
doesn't regulate the number of real
estate dealers in a given community.

I don't have any questions.

COMMISSIONER HARWOOD: All right.

REDIRECT EXAMINATION

BY MR. WHITE:

Q There are eight banks there, aren't there, and just three small loan companies?

A There are only four banks and eight offices, I think, combined. Four banks.

Q And there are three offices of loan company --

A And an industrial loan.

Q And, none of these present small loan people offer the three extra services that Beneficial offers, do they?

A Not to my knowledge, no, sir.

MR. WHITE: That's all.

COMMISSIONER HARWOOD: All right.

Thank you, Mr. Jones.

WITNESS JONES: Yes, sir.

* * * * *

WITNESS STOOD ASIDE

MR. WHITE: That's our case,
gentlemen.

COMMISSIONER HARWOOD: All right.

MR. DOBBINS: Mr. Kent Brooks.

COMMISSIONER HARWOOD: I believe
Mr. Brooks' testimony has been prefiled,
has it not?

MR. DOBBINS: Yes, sir. I
personally am willing to offer the
testimony and --

MR. WHITE: We have no objection.

MR. DOBBINS: And let these
gentlemen cross-examine him if they wish
to do so.

COMMISSIONER HARWOOD: All right.
That certainly will be agreeable to the
Commission.

MR. DOBBINS: If the Commission
wants to, Mr. Brooks can summarize it,
whichever.

COMMISSIONER HARWOOD: That's up
to him.

MR. DOBBINS: I'm confident the

Commissioner's will read it.

COMMISSIONER SHANNON: I've read it.

COMMISSIONER HARWOOD: Mr. Brooks has twenty pages of prefiled testimony and how many exhibits?

WITNESS BROOKS: I believe it's twenty-four exhibits.

MR. DOBBINS: With the permission of the Commission, I have a larger copy of the aerial map which is in the prefiled testimony. I would like to -- I think it might be well to introduce that.

COMMISSIONER HARWOOD: That will be in lieu of, I believe this one is --

Mr. Dobbins, do you want to submit that one or just use it for illustrative purposes?

MR. DOBBINS: I want to submit this. I think it is probably well. It has a few more things on it. I would not object to putting this over here on the Commissioner's desk if that would be

1
2 better.

3 COMMISSIONER HARWOOD: Well, the
4 last time I did that I was inundated with
5 my glass of water up here. That's the
6 only problem.

7 MR. DOBBINS: We would offer this,
8 then, as Exhibit 6 in lieu of the small
9 aerial photograph which is in the prefilled
10 testimony.

11 COMMISSIONER HARWOOD: Mr. Bailiff,
12 what is our next number?

13 THE BAILIFF: The next number, sir,
14 would be 4.

15 COMMISSIONER HARWOOD: All right.
16 The twenty pages of Mr. Brooks' prefilled
17 testimony will be assigned Exhibit Number 4,
18 and to that he has attached twenty-four
19 exhibits, of which Exhibit Number 6 is a
20 smaller version of what has been admitted,
21 and tacked to the board over here.

22 Let's see how we can handle that.
23 We can renumber them sequentially.

24 I know what let's do. Let's call
25

his exhibits Brooks' Exhibit 4- and, then,
just number his 1 through 24 attached as
1, 2, 3, 4, 5, on through 24. That will
allow us the proper identification and
make it easier for him to testify.

WITNESS BROOKS: All right, sir.

G. KENT BROOKS, a witness called by
and on behalf of the Protestants, having first been
duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. DOBBINS:

Q Mr. Brooks, maybe I can, just for the
benefit of the Commission, ask you to refer to Exhibit
4-6, which is an aerial photograph of the City of
Waynesboro.

Are you familiar with this photograph,
this exhibit?

A Yes, sir, I am.

Q I would ask, if you will, just to
tell the Commission what is the red line which goes
generally through the center, right to left on the
map?

A The red line is U. S. Route 250. And
the --

Q What is the green line which goes
down from the top of the map on the righthand side
and intersects with the red line and, then, it

continues out generally toward the lower left-hand corner?

A That's U. S. 340 which I believe comes down through Elkton to Waynesboro and, then, it goes through Waynesboro and veers on down southwest, I guess, out of Waynesboro.

Q As it goes through the City of Waynesboro, is that designated as the main street of Waynesboro?

A Yes, sir, that is the main street, what used to be the old Route 250 that went through the main part of town.

Q And, does -- as the red line goes through the main part of the City, what is that street designated as?

A That is designated as Broad Street.

Q All right.

A That goes on into Staunton, Route 250.

Q You have shown the location on this map of the three existing small loan offices; is that correct?

A Yes, sir.

Q And you've marked with an arrow, for

instance, Peoples Finance, shown generally in the center of the map; is that so?

A That is correct. They are on the north side of Broad Street in the Centre for Shopping.

Q In the Centre for Shopping? What is the relative size of the Centre for Shopping as far as any other shopping center in the Waynesboro area?

A Well, to the best of my knowledge, it's by far -- and I mean by far -- the largest shopping center in the Waynesboro area.

Q What would you consider the next largest shopping area in the downtown, or the whole area of Waynesboro?

A Do you mean shopping center or shopping area?

Q Shopping area.

A I would say the downtown area.

Q Along Main Street?

A Yes.

Q You have designated the Parks office and the American Finance office on this map. Where are they located in relation to the downtown area?

A I would say they are on the western end

of the downtown area.

Q In the middle of the general --

A Somewhat in the middle of the general area. But I guess more to the west side.

Q All right. Now, have you designated the spot also where Beneficial would propose to put their --

A Yes, sir.

Q And that's in the King Shopping Center with the arrow marked?

A That's correct.

Q Now, this elliptical shaped area, what does that represent?

A That is the prime business area, as I see it, of the Waynesboro community.

Q All right. Now, you have shown a number of arrows that you have pasted in here on the righthand side of that map. What are they? What do they show?

A They are the largest business employment areas. I can't see from here the names of each of them.

But I can start at the bottom and tell you that Thiokol and Dupont are the two major areas of industry on the south end of the town.

Q What about this Crompton Shenandoah? What do they do?

1
2 A Crompton Shenandoah is dry goods
3 manufacturer.

4 Q Corduroy?

5 A Corduroy. They just make the fabric.
6 They don't make corduroy clothes.

7 Q And, moving up to -- well, Virginia
8 Metalcrafters is on 250?

9 A Yes, that's on 250. That's correct.
10 And, then, you have --

11 Q And the Stanley Furniture, is that the
12 old basic Witts (phonetic) plant?

13 A My understanding, that's the old Basic
14 Witts (phonetic).

15 Q And GE is on out 340?

16 A They are just outside the map area.

17 Q All right. Now, are there any large
18 industrial areas, plants, that you know of which are
19 over in the western part of --

20 A No, sir, not that I know of.

21 Q As a general thing, do you know what
22 the flow of traffic is from these plants as far as
23 going through the City?

24 A You mean as far as the traffic count
25 is concerned?

 Q Yes.

1
2 A I don't have the traffic count
3 figures.

4 Q But, if they come up 250 or 340, do
5 they pass a small loan office?

6 A Oh, yes, sir, they certainly do. I
7 thought you were referring to figures.

8 Q Do they have to come up 250 or 340
9 in order to get to this proposed office of Beneficial?

10 A Yes, they would.

11 Q Now, on your Exhibit 4-2, you have
12 a lot of green dots on it. What do they designate?

13 A Those dots indicate the various
14 financial institutions in the Waynesboro area.

15 Q Do they show all the small loan
16 offices and the banking offices and industrial loan
17 associations and the locations of the credit unions
18 and the S&L's as well?

19 A Yes, they do. There are twenty-one
20 in total.

21 Q All of whom are competing for the
22 consumer borrower?

23 A To the best of my knowledge, we are
24 all competing for the consumer's business.

25 Q With the possible exception of the S&L?

A Well, yes. I would have to say with
that exception.

Q Now, must --

COMMISSIONER SHANNON: Looks like there has been right liberal regulation there in the awarding of these various financial offices.

WITNESS BROOKS: Yes, Your Honor.

BY MR. DOBBINS: (Continuing)

Q Now, Mr. Brooks, refer to your Exhibit 4-7. In addition to the number and amount of loans that are outstanding in the Waynesboro offices, which were shown on Mr. Wightman's report, Exhibit 2, have you also obtained a statistical number of loans and amount of loans in the three offices for 1978, at the end of 1978?

A Yes, sir, we did, as well as the data through March the 25th, 1979.

Q As of December 31, 1978, did those three offices have more or less loans outstanding than they had in 1974?

A As a combined total, they have less.

Q As of March 25, 1979, did the three offices have more or less than they did in December '31, 1978, that is four months before, three months before?

A They continued to show a decline on

March 25th, 1979 from the prior year-end figures.

Q As far as amount outstanding, what was the experience between 1974 and year-end '78 as to outstanding dollars?

A Well, there was a total growth between 1974 and 1978 of approximately nine point two percent.

Q At March 25th, had your total dollars increased above that of December or decreased?

A March 25th figures showed a decrease from year-end.

Q All right. Now, if your Exhibit 9, Mr. Brooks, shows what is designated as deflated amounts of outstanding loans in the Waynesboro, what does that signify?

A Well, this exhibit shows that the nominal amount of dollars is a considerably smaller dollars when you consider the actual dollars, the deflated amounts which is arrived at by taking into consideration the Consumer Price Index increase during that period of time.

Q As shown on your Exhibit 8?

A Yes, sir.

Q How many loan offices are in Staunton?

A There are seven.

Q Small loan offices?

A Yes, sir.

Q Six or seven?

A I --

MR. WHITE: We will correct him.

Whatever you say it is. We don't care.

WITNESS BROOKS: I was thinking
it was seven; maybe there is six. I will
stand to be corrected on that.

BY MR. DOBBINS: (Continuing)

Q I think there is six.

Now, from the point of view of the amount
of number of loans in Staunton, has that gone up or gone
down in the five years ending in 1978?

A Well, from 1974 to '78, during that five
year period of time, there has been an increase of a
little over seven hundred thousand dollars.

Q In dollar amount?

A In dollar amount. The number of loans
has decreased, three hundred thirty-four.

Q Mr. Brooks, in your Exhibit 12, you
have done some arithmetic to reflect the average size
of loans outstanding in the small loans in Virginia and
in Waynesboro and in Staunton.

What does that mean?

1
2 A Well, this exhibit shows that during
3 the period 1974 to 1977 that throughout the State of
4 Virginia the average size of the loan has grown ap-
5 proximately twenty-five percent. However, in Waynesboro
6 during that same period, the increase has only been a
7 little over ten percent.

8 And Staunton has compared more favorably
9 with the State average in that their increase has been
10 twenty-four point six percent. The only figures that
11 were surprising here were the fact that the Beneficial
12 office in Staunton had only shown a fourteen and a half
13 percent increase in average loans during that period of
14 time. That surprised me, that they were ten percent
below.

15 Q So, Beneficial's average loan is --
16 has increased at a smaller rate than the other offices
17 in Staunton?

18 A That is correct.

19 Q Now, have you made your own estimate as
20 to the amount of population which is in Waynesboro and
21 in Staunton and in the general area of Waynesboro?

22 A Yes, sir, we did. This information in
23 Exhibit 13 I believe compares for Waynesboro, somewhat
24 in the ball park with the other figures mentioned here
25 today, with the exception that our figures showed that
there had been a decline from 1970 to 1977 in Waynesboro

of approximately six hundred and seven.

Q Those figures came from the Tayloe Murphy Institute?

A Yes, sir, they did. That was a July 1st estimate, though.

Q And, what was the total amount of the increase according to your estimate in the City of Waynesboro and the surrounding Wayne Magisterial District?

A What was the total increase?

Q Yes, in population between '70 and '77?

A It looks like to me that it is four hundred and thirty-eight for the Wayne Magisterial District in Waynesboro.

Q Now, if you will add the magisterial district which falls south of Wayne District, South River District, what would be the total increase in that seven year period?

A Fifteen hundred and sixty-four.

Q All right. Now, how does the number of licensees in Waynesboro compare as far as the average population per licensee with the State of Virginia?

A Well, in the State of Virginia, the average population per licensee works out to twelve thousand four hundred and ninety-three.

Q How about in Waynesboro?

1
2 A In Waynesboro, the average population
3 per license is five thousand three hundred sixty-seven
4 with the present three licensees.

5 Q So, there are not quite half as many
6 people to support the loan office in Waynesboro as in
7 the State; is that right?

8 A That's correct. In fact, in the whole
9 community of Waynesboro/Staunton and Augusta County, if
10 you take your nine offices and the ninety thousand
11 population you only come up with an average of ten
thousand.

12 Q Okay. Now, Mr. Brooks, your Exhibit 17
13 there are some clippings out of the Waynesboro newspaper
14 to show this GE layoff; is that right?

15 A That is correct.

16 Q Have you obtained statistics from the
17 GE office as to the number of employees they now have
18 in relation to what they had a year ago?

19 A Yes, sir, we did.

20 Q What's the difference?

21 A Well, I have the exact figures in my
briefcase, but --

22 Q Well, they are in the testimony.
23 Look at the bottom of Page 14 and the top of Page 15.

24 A Well, Dupont's employment has been
25 fairly steady at two thousand, but the articles that

you are referring to regarding GE show that going from March of 1978 from two thousand nine hundred employees down to two thousand and sixty-four in March of 1979, which is a twenty-nine percent decrease.

Q All right. Now, Mr. Brooks, your Exhibit 18 is a table showing work force, employment and unemployment designated as Waynesboro City.

Did that come from the Virginia Employment Agency?

A Yes, sir, it did.

Q And what does it show the rate of unemployment is in Waynesboro at February, 1979?

A Ten point three percent.

Q On the next page of that exhibit, what does it show, the corresponding unemployment is for February of '79 in Staunton?

A That figure is seven point three percent.

Q Now, what is the total employment in Staunton at that time?

A Total employment was ten thousand and four.

Q Looking back to the page before, what was the total employment of Waynesboro?

A Seven thousand seven hundred eighty-four.

Q So, Staunton has more employment than Waynesboro, doesn't it?

A Roughly twenty-five percent.

Q According to the Virginia Employment Commission?

A Yes, sir.

Q Now, referring back to your Exhibit 19, what is the rate of employment in the State -- unemployment in the State of Virginia to compare with the ten point three in Waynesboro?

That is at February '79?

A The State of Virginia in February of 1979 showed a six point six percent unemployment rate versus the ten point three in Waynesboro.

Q Well, in the three licensees in Waynesboro, did you make some determination as to whether or not the people in Waynesboro had exhibited any tendency to credit overextension resulting in bankruptcies?

A Yes, sir. We inquired among the three companies in Waynesboro, American Finance, Parks Finance and ourselves. And the figures we obtained showed that in 1977 all three companies had a total of eleven bankruptcies. 1978 those same companies showed thirty-one bankruptcies. And, through March the 25th, 1979, the same companies had thirteen for that period, which would indicate that this is going to -- there is going to be another rise apparently this year if the trend continues.

Q Okay. Mr. Brooks, from what sources does

your office in Waynesboro meet competition for the small loan borrower?

A Well, in Waynesboro we have tried for many years there to serve the community and the people of the community as best we could. We try to solicit business from the normal avenues that every licensee uses.

Q Do you have active competition with the banks?

A Yes, we do. The banks, credit cards.

Q Do you find -- is it your credit standards -- are your credit standards substantially different from those of the bank when it comes to consumer loans or not?

A I would have to answer that question and say that I somewhat feel like we are all looking at the applications on the same basis. There are certain criteria that you try to gauge an applicant by, and in Waynesboro I think that maybe we would make a few loans that banks might turn down, which certainly I think we would make most of them that the banks were involved with.

Q What about the credit union?

A Well, I don't have a percentage on that, but knowing the size of the Dupont credit union and knowing the many customers that we have with Dupont,

1 that certainly a great majority of those people are
2 obligated if they are employees of Dupont. They are
3 obligated with the credit union. And in some cases,
4 they are even involved with the credit union where they
5 are not employed at Dupont.

6 Q You mean, a non-employee can get a
7 loan at a credit union at Dupont from the credit union?

8 A Yes, sir, that's my understanding, as
9 long as they have some type of a blood relative that
10 can endorse the note for them, they can get a loan
11 there.

12 Q Blood relative working for Dupont?

13 A Working for Dupont, that's right.

14 Q Well, now, have you found that the
15 competition from banks for your segment of the borrowing
16 public has increased or decreased?

17 A The competition from the banks has
18 certainly increased.

19 Q Have you been able to -- does your
20 Exhibit 23 reflect the increase in the bank credit
21 card lending across the country?

22 A Yes, sir, it does.

23 Q And, does your Exhibit 24 indicate the
24 bank credit card usage in Virginia?

25 A The revolving credit cards, yes, sir.
It shows that there has been an increase since December of

1975 through September the 30th, 1978 of approximately seventy-two percent.

Q Now, is that cash advances or --

A It's my understanding that this is cash advance.

Q Now, does your Exhibit 24 -- incidently, did this come from a survey by the Virginia Bankers Association?

A No. This information came from the Federal Reserve Bulletin.

Q Look at your Exhibit 24. Is that State data?

A Yes, sir. This is State data.

Q Where did that come from?

A From the Virginia Bankers Association.

Q On that column, on the righthand side, it says "Cash Advances in the Quarter". Does that mean that, for instance, in the quarter ending December 31, 1978 that nearly thirty-four million dollars were advanced under credit cards as loans?

A That is correct. Approximately thirty-four million dollars were advanced.

Q In the full year of 1978, how much was advanced? Do you know?

A Yes, sir. It's a very surprising statistic, at least it was to me, to find this out. But there was

over one hundred twenty-seven million dollars advanced by bank credit cards on cash advances, which would be personal loans.

And the surprise was that that compared with around three hundred eleven million dollars that our industry loaned in 1978. So, actually the bank credit cards did roughly forty percent of the cash advance business that we do in making loans. They are quite a competitor.

Q Now, Mr. Brooks, is -- does your Company offer second mortgages?

A Not in the Waynesboro area. We have recently gotten into the second mortgage business and the -- I guess we are piloting it here in Richmond with the anticipation that we eventually will get to the Waynesboro area with it.

Q So, in Waynesboro you are a small loan company?

A Yes, sir.

Q Staunton, too?

A Yes, sir.

Q All right. Is Peoples what is called an independent company? Are you a Virginia company?

A We consider we are a Virginia company. We only operate in the State of Virginia. We consider ourselves an independent.

Q All right. How long have you been in this business?

A I've been in business with Peoples since 1956.

Q How often do you go to Waynesboro?

A I generally get up there once every month.

Q Do you know where Beneficial would hope to put this license?

A Yes, sir, I do.

Q What -- whose convenience and advantage do you expect it would serve?

A From the testimony that I have seen and heard today, I can't see where it would produce any convenience and advantage to the community of Waynesboro other than their one hundred seventy-seven accounts that they would propose to move into that office.

Q And --

A Excuse me. I say that because, as you mentioned earlier, when we were looking at an exhibit there on the map, that all of your major employers are on the east side of town and, as you pointed out, if they are going over west towards Staunton, or in that area, they have got to come to a town and pass one of the three existing offices. And I just believe that it would be no purpose in further convenience or advantage

1 to the customers. I think that the parking that we
2 have in our shopping center is -- if their proposed
3 site has twenty or twenty-five parking places, then,
4 certainly we have probably four hundred in the Centre
5 for Shopping.
6

7
8 COMMISSIONER HARWOOD: Mr. Dobbins,
9 this seems to be a good point to take our
10 recess until 2 P.M.

11 NOTE: The Commission is recessed
12 at 12:36 o'clock P.M. Thereafter, the
13 Commission is again in session at 2:04
14 o'clock P.M. and the hearing continues as
15 follows, viz:

16 COMMISSIONER HARWOOD: All right,
17 Mr. Brooks, I believe you were on the stand.

18 MR. DOBBINS: I took care of that
19 vitamin deficiency I read about in the
20 Almanac.

21 MR. WHITE: And charged his lunch
22 on a Ben charge card. (Laughter in the
23 courtroom)

24 MR. DOBBINS: I'm through. Answer
25 Mr. White.

MR. WHITE: No questions, Judge.

COMMISSIONER HARWOOD: Mr. Schutt?

MR. SCHUTT: I don't have any questions.

COMMISSIONER HARWOOD: Mr. Brooks, you are excused. Thank you, sir.

MR. DOBBINS: Mr. Brooks, you have probably undergone what is the shortest cross-examination in the history of the Commission.

COMMISSIONER HARWOOD: None any shorter; I can assure you of that.

MR. WHITE: Probably none more meaningful.

COMMISSIONER SHANNON: Airtight.
(Laughter in the courtroom)

* * * * *

WITNESS STOOD ASIDE

JAMES S. PARKS, a witness called by and on behalf of the Protestants, having first been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. DOBBINS:

Q Mr. Parks, state your name and address.

A My name is James S. Parks. I live at Route 6, Box 68, Louisa.

Q And, Mr. Parks, what is your position with Parks Finance?

A I am President of Parks Finance.

Q And, Parks has an office, one of the offices, in Waynesboro?

A Yes, sir.

Q How many offices in all does Parks Finance have?

A We have five offices.

Q And where are they located?

A Charlottesville, Waynesboro, Staunton, South Boston, and Hurt.

COMMISSIONER SHANNON: What was the last place?

WITNESS PARKS: Hurt, H-u-r-t.

COMMISSIONER SHANNON: Where is
Hurt?

WITNESS PARKS: That's right across
the river from Altavista, just --

COMMISSIONER SHANNON: Learning
something.

MR. WHITE: The only man in the
courtroom that ever heard of it before.

BY MR. DOBBINS: (Continuing)

Q Mr. Parks, I was going to ask you if
Parks was classified as independent, but anybody with an
office in Hurt has got to be independent.

Is that so?

A Yes, sir, very independent company.

Q What do you call independent? Why do
you call yourself an independent?

A I call myself an independent because
our stockholders and bondholders are all Virginia
residents and we do business only in Virginia.

Q Well, now, how many independents are
there left in Virginia?

A I'm not sure of the actual number.
There are fewer now than there have been. One of
the reasons for this is the difficulty in raising

capital. We control -- I say "we" -- the independents probably control now somewhere about fifteen percent of the total volume of business.

Q And, as opposed to independents, you have, what, chains?

A Yes, sir.

Q And, Beneficial falls in that category?

A It's --

Q Not that there is any taint to that, but does -- do the chains have any particular advantage over the independents?

A Well, they are able to participate in other types of businesses, such as was discussed earlier like revolving credit, second mortgage, sales finance, because of having a larger capital base and being able to obtain funds.

For example, right now I believe the second mortgage rate is somewhere around eight add-on, which yields somewhere around fifteen percent. And, I, like many independents, are paying over fourteen percent for my short term money. So there is not enough profit margin to get involved in it.

Q Is your Company strictly a small loan company?

A Yes, sir.

Q Well, now, in the -- you have prospered in spite of the fact that you are an independent, have you not?

A Yes, sir.

Q Well, Mr. Brooks has testified -- and, incidently, did you assist him in the preparation of the statistical data?

A Yes, sir, I do.

Q Do you agree with the conclusions which are in his prefiled testimony?

A Yes, sir, I do.

Q Do you agree with his statement that there is a severe competition in the Waynesboro area?

A Yes, sir, I sure do. There is actually competition everywhere except Hurt. (Laughter in the courtroom) We have a very nice sized office down there, but Waynesboro and Staunton both -- and Charlottesville -- those three in particular have lots of competition, not only from other finance companies but from other creditors.

Q Do you get real competition from banks?

A Yes, sir. I would say -- I can't tell you exactly, but I would say that ninety percent of our accounts have bank credit also. That may be in various forms, such as the credit cards or dealer endorsed note. But we deal with the same customer.

Q Mr. Parks, it seems to be some reluctance on the part of small loan operators to answer this question, but maybe you will answer it.

In your view, is there any real difference between small loan credit and present day bank consumer credit?

A There is a difference in rate, rate of charge. But we deal -- we compete for the same customer. I think we are really after the same customer.

Q All right. Now, at my suggestion did you confirm this fact in any way by examining your projected applications in your office?

A I'm sorry. I didn't quite --

Q Have you checked out your -- of your rejected applications, have you checked any of them to see what has been the situation as far as bank loans or other competitions?

A Yes, sir, I have.

Q What did you find out?

A The two things that we reject most applicants for, first would be credit, or would be lack of credit, lack of good credit. The second and most important thing would be what we call overloaded, which means that the customers would have maybe one or two other small loans. They would have credit cards, VISA,

Master Charge, mortgage payments. We are finding an increasing number of people applying for credit now that have second mortgages already.

And this is an indication to us that the person has become overloaded once and sought relief and going right back into it.

We probably reject more customers now for being overloaded, which by the way is not a factor in an area like Hurt or South Boston. It's very rare that we find somebody who is overloaded. It would be lack of credit or other factors.

COMMISSIONER SHANNON: I guess several customers shop all the licensees, don't they? If you've got two or three in a town, they may have loans with all of them?

WITNESS PARKS: Yes, sir. And, also as close as Staunton and Waynesboro are, you do see some crossover in between particularly the ones that live in areas in between. You frequently have to check both places to try to find their total indebtedness.

COMMISSIONER SHANNON: You have a pretty good cooperative relationship between

your competitors on exchanging information?

WITNESS PARKS: Yes, sir, that
has always been excellent.

BY MR. DOBBINS: (Continuing)

Q Now, in the Waynesboro area, do you
find that the people that you lend money to are also
borrowing on credit cards?

A Very much so. You see that with the
VISA and Master Charge, and I assume there are some
cash advances on those. The -- just the installment,
two of the banks there, particularly Virginia National
and First and Merchants, are very, very active in
installment credit with our customers, or we with
theirs.

Q Did you see in the news that the Bank
of Virginia is proposing to acquire the Community Bank
and Trust Company?

A Yes, sir.

Q Does that have an office in Waynesboro?

A Yes, they do. And it is my under-
standing that they are very, very active in the credit
card business.

That is my understanding of it. It
would be a more competitive bank than what is there now.

Q Mr. Parks, do borrowers always borrow

their money in offices where they live?

A No, sir. We encourage it. If we have an applicant from an automobile dealer that we try to make the loan where the person lives. We feel that it's the place most of his credit is going to be. He lives there; he has more of a vested interest; he can change jobs more readily than he can change residences.

Q Well, I guess the question I want to ask you is: There will always be Waynesboro people that will go to Staunton and borrow no matter how many offices you have in Waynesboro?

A That has been our experience. We have an office in both places, and we have Waynesboro residents having loans in Staunton and vice versa.

Q Mr. Parks, if you have another small loan office in Waynesboro, four instead of three, will that generate anymore small loan business?

A No, sir, not small loan business. There is only a certain amount there to go around, and you just cut the pie a little bit thinner.

Q Have you found that to be true from experience in other locations?

A The closest experience to that is Staunton. And I believe it was around ten years ago that two additional licensees, one of which was Beneficial,

was granted a license in Staunton and it just split it a little bit more.

Q You haven't had any increase in loans as a result of that?

A No, sir.

Q Now, Mr. Parks, how often do you visit Waynesboro and go over the matters in your Waynesboro office?

A I'm there, let's say, about three times a month.

Q Do you know the location that -- the location at King Plaza that Beneficial would locate in?

A Yes, sir, I do.

Q How does that compare with the other shopping areas in Waynesboro? For instance, the Centre where Peoples is in the downtown area where you and American --

A Well, I think it's smaller. There is parking; how much there actually is, I haven't counted the places. If I were going to move my office that would not be my choice of a location.

Q Why?

A I feel like it's a little bit far away from any attraction such as a large grocery store, a discount store.

1
2 Q Does it offer any peculiar convenience
3 and advantage to the community of Waynesboro?

4 A No, sir. I don't -- I think any
5 location that you could pick would be of some convenience
6 and advantage to somebody. But for a whole lot of
7 people, I would say no.

8 MR. DOBBINS: All right. Answer Mr.
9 White's questions.
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CROSS EXAMINATION

BY MR. WHITE:

Q Mr. Parks, I gather that the reason that you have determined not to offer these other services, such as second mortgages and whatnot, was because there wasn't enough profit in them?

A That is correct. And, also, if I may add, being an independent my capitalization is not as sufficient where I can incur that much more debt.

Q It isn't because it's not advantageous to the borrower; it's because of a business decision on the lender's part, isn't it?

A Yes, sir.

Q And, Mr. Dobbins wanted you to say that you and the banks make the same kind of loans, not that you compete for the same customers.

But, really, you have approximately the same criteria that the banks have when you are making a loan; is that true?

A I think we look at applicants in the same manner, yes.

Q Well, really, what I think what he wanted to ask but was scared to, but I don't have good sense so I'll ask it, and that is, do you lend money to people that are rated below what the bank would

consider a good loan, or a loan?

A In some cases, yes, particularly with age or perhaps lack of stability in a community.

Q So, in other words, you don't use the same criteria the bank uses; you do lend to a higher risk than the banks, don't you?

A Yes.

Q And so in that sense you and the banks aren't competing?

A Well, we pay each other off frequently, which indicates to me that we do compete.

Q You compete sometimes, but actually on the credit analysis you are more liberal than -- in your granting of loans than the bank?

A Yes, sir.

Q And, so there are only three of you-all with that philosophy in Waynesboro at the present time?

A In -- I don't like to mention names, but Virginia National Bank has been known to make loans that we reject. And I think economic conditions have a lot to do with that also, such as -- such factors as the prime rate, employment.

Q Now that you've seen where I'm going, are you going to retract the statement?

A No.

Q All right. We will stick to the idea

1 that you grant to a less desirable credit risk.

2 Let me ask you this. You talk about
3 cutting the pie thinner. Really, what you are saying
4 is that if you can have no competition you make more
5 money than if you have competition? Isn't that what
6 you are really saying?

7 A To a point. But there is a limit to
8 competition. The salvation of -- the only way that
9 you can make money in a consumer finance office is --
10 a small loan office now -- volumes of loans. And the
11 less loans you have the less profit.

12 Q There would be another way, and that's
13 get a little bit bigger allowance on the credit or
14 get the ceiling up.

15 A Yes, that's absolutely true.

16 Q All right. This is really what's
17 bothering everybody, is to determine whether they can
18 survive in that economic business, jungle out there;
19 it's really what we are all concerned with in the
20 finance business, isn't it?

21 A Yes, sir.

22 Q And location does have convenience and
23 advantage, as you say, depending on where a person lives
24 or where he likes to deal, doesn't it?

25 A Yes, sir.

MR. WHITE: All right. I have
no further questions.

COMMISSIONER HARWOOD: Mr. Schutt?

MR. SCHUTT: No questions.

COMMISSIONER HARWOOD: Any redirect,
Mr. Dobbins?

REDIRECT EXAMINATION

BY MR. DOBBINS:

Q Is there any absence of availability of sources for second mortgage loans in Waynesboro?

A Not that I know of, sir. I think Mr. Brooks testified that he perhaps will start it. I know American Finance is already making second mortgages. There seem to be second mortgage companies springing up everywhere, some affiliated with national companies. The banks are very active in second mortgages.

Q Well, even Beneficial's witnesses didn't say that there was any lack of installment credit in Waynesboro, but I would like to ask you, is there any lack of sources to get sales finance?

A None that I know of, sir.

Q Do you understand that G.E.C.C. has come into the area in a big way?

A I was not aware of that.

Q Is there any lack of an opportunity to get revolving credit? That's a bank card, isn't it?

A It's the same thing. Revolving credit has been around for years. I believe stores like Sears have really fashioned it.

1
2 Q So what we are really down to is
3 whether there is any lack of ability to make a small
4 loan. Is there a lack of ability for anybody to get
5 a small loan that deserves it at all in Waynesboro?

6 A No, sir, not that I know of.

7 Q Can Beneficial -- do they make loans
8 in Staunton, for instance, that you can't make, or
9 Peoples can't make?

10 A No, sir, not small loans.

11 Q They -- regardless of whether there
12 is any distinction in credit requirements between banks
13 and small loans, so far as you know, is there any
14 distinction between credit criteria of Parks and
Beneficial, on the other hand?

15 A No, sir. I think we use basically the
16 same criteria.

17 MR. DOBBINS: All right. That's all.
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RE CROSS EXAMINATION

BY MR. WHITE:

Q You spoke of Sears revolving credit. That isn't quite the same thing as Beneficial's revolving credit is it? Beneficial's you get cash. At Sears you get merchandising.

A One of my great fears is that Sears, one of these days, will be advancing cash from their stores.

Q No question about it. But, until that time there is a difference between them now?

A Yes, sir.

Q And when you talk about General Electric Credit Company coming in, they are served from a Maryland office and it's no question about that it's more difficult to get than a company which is served from a Virginia office, is it?

A I don't -- I'm not familiar with how the repayment is made. I don't know whether it's made to the local store or to a post office drawer in Pennsylvania or wherever it might be.

Q All right, sir. But it's no question that that helps the local merchant, is it?

A I think it would help. Yes.

MR. WHITE: I have no further questions.

COMMISSIONER HARWOOD: Anything further from Mr. Parks?

MR. DOBBINS: Nothing further.

COMMISSIONER HARWOOD: Thank you, sir. You are excused.

* * * * *

WITNESS STOOD ASIDE

MR. DOBBINS: I have on further
witness, if it please the Commission.

COMMISSIONER HARWOOD: All right.

JAMES WILLIAM HINTON, a witness called
by and on behalf of the Protestants, having first been
duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. DOBBINS:

Q Tell the Commission your name.

A James William Hinton.

Q Where do you live, Mr. Hinton?

A Route 2, Staunton.

Q And, what is your -- who are you
employed by?

A Virginia Federal Savings and Loan.

Q Whereabouts?

A Waynesboro.

Q And how long have you been employed by
Virginia Federal Savings and Loan?

A Twenty, twenty-one months.

Q Before that time, who were you employed
with?

A Parks Finance.

Q And how long were you employed by
Parks and what did you do?

A Ten years. And I managed both the Staunton
and Waynesboro office.

1
2 Q Do you have any interest whatever
3 in this proceeding?

4 A No, sir.

5 Q Now, Mr. Hinton, you've heard the
6 testimony --

7 A I may add to that. I say no interest,
8 other than the fact that Mr. Parks is my friend and my
9 employer for a number of years. And I respect him
highly.

10 Q You don't have any monetary --

11 A No, indeed.

12 Q In your opinion, from your experience,
13 will another small loan office generate anymore loans,
14 small loans, in Waynesboro?

15 A No, sir.

16 Q Well, what will happen with another
17 office?

18 A Well, I think, as Mr. Parks stated,
19 it will just distribute the loans more. It happened
20 in Staunton in 1968. No doubt about it. I think
the records speak for themselves.

21 Q Were you working at that time?

22 A Yes, sir.

23 Q And you personally experienced the
24 redistribution?

25 A Yes, sir.

1
2 Q In your opinion, Mr. Hinton, is there
3 any real credit criteria different between small loan
4 companies and banks on consumer loans?

5 A No, sir. I think the only difference
6 would be probably when you are talking about younger
7 kids. I think probably these small loans would give
8 them the opportunity. But, once they have established
9 themselves in any manner, then, the banks will extend
10 them their loans and --

11 Q Is there any failure on the part of
12 the existing small loan offices in Waynesboro to take
13 care of those younger kids that you say?

14 A No, sir, I don't feel so.

15 MR. DOBBINS: That's all.
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CROSS EXAMINATION

BY MR. WHITE:

Q Mr. Hinton, you used to work in Staunton?

A Yes, sir.

Q And you now work in Waynesboro?

A Yes, sir.

Q Would it be more convenient if you lived in Waynesboro now?

A Would it be more convenient?

Q Uh-huh. You know where I'm going, don't you?

A You mean, would it be more convenient for me to live in Waynesboro?

Q Uh-huh.

A Not really. That's my choice. I've lived in Waynesboro, and I prefer the county.

Q How far do you drive to work?

A I drive seventeen miles.

Q Would it be more convenient for you if you lived closer?

A I suppose it would. Yes.

Q All right. That's all we are trying to get. In other words, if you lived closer to where you do business, the better off you are, aren't you?

1
2 A Well, I suppose. It depends on what
3 your --

4 Q Let me go one more step, Mr. Hinton, so
5 we can get this thing -- did I understand you to say
6 in your opinion there was no difference between banks
7 and small loan criteria for loans?

8 A Yes, sir.

9 Q But, then, you qualified and said that
10 the younger kids could get a better break?

11 A Yes. I do feel the younger kids do get
12 a chance with savings -- excuse me. Correction. With a --

13 Q Small loan?

14 A Small loan than they would with the bank,
15 that's correct.

16 Q One of the previous men testified, in
17 opposition, said the old people got a break. So, you
18 might say --

19 A There might be some truth in that, too.

20 Q So the young and the old are getting
21 the breaks from the small loan; is that right?

22 A I feel that that's correct.

23 Q And that is a convenience and advantage
24 to the community to take care of the young and the old?

25 A That's correct.

MR. WHITE: I have no further questions.

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Hinton - Cross

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COMMISSIONER HARWOOD: Mr. Schutt?

MR. SCHUTT: No questions.

COMMISSIONER HARWOOD: Any redirect,
Mr. Dobbins?

MR. DOBBINS: That's the case.

COMMISSIONER HARWOOD: Thank you,
Mr. Hinton. You are excused, sir.

* * * * *

WITNESS STOOD ASIDE

1
2 COMMISSIONER HARWOOD: I understand
3 the Protestants rest.

4 MR. WHITE: Judge, would you let
5 Mr. LeSueur and me confer for about two
6 minutes? I won't even take long enough for
7 the Court to recess.

8 COMMISSIONER HARWOOD: Yes.

9 MR. WHITE: (After conferring with
10 Mr. LeSueur) Judge, I would like to make
11 a proffer on behalf of my client, which may
12 be a little bit late, but I think it might
13 help the general overall overview of this
14 case, and that is that we will represent to
15 the Commission that we would exchange the --
16 transfer the license in Crozet to Waynesboro.
17 We think that that would be more into the
18 convenience and advantage of Waynesboro.

19 And we say to the Commission, nobody
20 can ever be sure of the outcome of a case.
21 And so --

22 COMMISSIONER SHANNON: When would you
23 do that, Mr. White?

24 MR. WHITE: We would do that, Your
25 Honor, at the Commission's pleasure.

COMMISSIONER SHANNON: Don't you have
a lease there?

MR. WHITE: We do have a lease there. We would just have to absorb that rent and try to release it. It would take us ninety days to get open anyhow, and so if I might just pick a round date I would say October the 1st, if Your Honor please, would be a date on which we would ask that the license in Crozet be transferred to Waynesboro, and give us an opportunity to treat our customers there fairly, or transfer them.

And that would be our case.

MR. DOBBINS: I would just like to say with respect to the proffer that that would not be acceptable to the Protestants. That will simply give them an opportunity to close an office they want to close anyhow, and by their own testimony nobody living in the Waynesboro area is in that office.

I think that's a beautiful move, Mr. White.

MR. WHITE: Well, I'm one of those lovely, beautiful children.

Let me say this: If they don't object, we will keep it, Judge. That's all I'm going to say. We will keep it.

1
2 COMMISSIONER HARWOOD: The Commission
3 will take the case under advisement and
4 give the parties our decision as soon as
5 practical.

6 MR. WHITE: Thank you for your
7 patience, gentlemen.

8 NOTE: The hearing is concluded at
9 2:35 o'clock P.M. on April 16, 1979.
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11 * * * * *

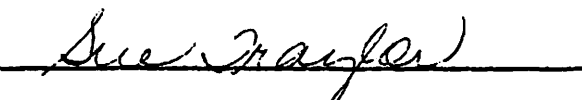
12 HEARING CONCLUDED
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CERTIFICATE OF COURT REPORTER

I, Sue Traylor, an Official Court Reporter with the State Corporation Commission, Richmond, Virginia, hereby certify that I was the court reporter who took down and transcribed the matter herein when heard on April 16, 1979 before the Honorable Commissioners of the State Corporation Commission, Richmond, Virginia.

I further certify that the foregoing transcript is a true and accurate record of the testimony and other incidents of the hearing herein.

Given under my hand this 31st day of May, 1979.



SUE TRAYLOR, OFFICIAL COURT REPORTER

COMMONWEALTH OF VIRGINIA



STATE CORPORATION COMMISSION
BUREAU OF FINANCIAL INSTITUTIONS

800 BLANTON BUILDING
RICHMOND, VIRGINIA 23219
(804) 786-3657

August 29, 1978

Honorable Sidney A. Bailey
Commissioner of Financial Institutions
State Corporation Commission
Bureau of Financial Institutions
800 Blanton Building
Richmond, Virginia 23219

RE: Application of Beneficial
Finance Co. of Virginia for
permission to conduct a
small loan business at 250-
D North Poplar Street,
Waynesboro, Virginia.

Dear Sir:

In accordance with your instructions and pursuant to the provisions of Section 6.1-256 of the Code of Virginia, an investigation has been made of this application.

Applicant has applied for a license to conduct a small loan business at 250-D North Poplar Street in Waynesboro, Virginia. The proposed address is in the King Plaza Shopping Center. At the present time there are seven small businesses in the center.

An application from Investors Loan Corporation, on July 10, 1978, requests permission to conduct a small loan business in the same shopping center.

Beneficial's application for a small loan license is approximately three-tenths to one-half mile from the three existing small loan offices in Waynesboro.

According to the Waynesboro - East Augusta Chamber of Commerce, Inc. the present population of Waynesboro is 17,000. The same source estimates that 50,000 persons live in Augusta County, also claiming a trading area of 125,000 persons. The following table shows the changes in population of the two areas.

POPULATION CHANGES
1970-1977

	<u>Waynesboro</u>	<u>Augusta County</u>
1977	16,100	51,900
1976	16,500	51,100
1975	16,700	49,100
1974	17,000	48,200
1970	16,707	44,220

SOURCE: Tayloe Murphy Institute. Estimates of the Population of Virginia Counties and Cities. Selected Years.

The above table reflects the same population trend of cities losing persons to the adjacent county or counties.

Industries in the area include the following:

	<u>Number of Employees</u>
E. I. Dupont de Nemours Co., Inc.	2,000
General Electric Company	2,900
Crompton Shenandoah Company, Inc.	680
Reynolds Metal Company	400
Stanley A. Mead Company	450
Thiokol Corporation	647
Hopeman Brothers, Inc.	
Wayne Manufacturing	325
Virginia Metalcrafters	170

The following table relates to distribution of employment by type of work:

EMPLOYMENT DATA
March 1975

	<u>Waynesboro</u>	<u>Augusta</u>	<u>Total</u>
Manufacturing			
Durable goods			
Lumber		91	91
Stone, clay & glass		28	28
Fabricated metal	397		397
Machinery (except electric)	70	855	925
All other durable goods	3,027	929	3,956
TOTAL DURABLE	<u>3,494</u>	<u>1,903</u>	<u>5,397</u>

	<u>Waynesboro</u>	<u>Augusta</u>	<u>Total</u>
Nondurable goods			
Food		196	196
Apparel		798	798
Printing	125	28	153
Chemicals	2,634		2,634
All other nondurable	784	566	1,350
TOTAL NONDURABLE	3,543	1,588	5,131
Nonmanufacturing			
Mining		31	31
Construction	208	888	1,096
Transportation	190	1,550	1,740
Wholesale & retail trade	1,599	1,638	3,237
Finance, insurance & real estate	199	178	377
Service	1,510	705	2,215
Federal government		52	52
State government	843*	934	1,777
Local government		1,423	1,423
All other nonmanufacturing		80	80
TOTAL NON-MANUFACTURING	4,549	7,479	12,028
TOTAL ALL EMPLOYMENT	11,586	10,970	22,556

* Not allocated to Federal, State or City.

SOURCE: Manpower Research, Virginia Employment Commission.

Per capita personal income of those persons living in Waynesboro increased fifty-four percent from 1972 to 1976. The per capita increase in Augusta County was thirty-three percent during the same time period.

According to the Tayloe Murphy Institute, in 1976 Waynesboro ranked fourteenth among all cities in Virginia in personal income.

The yearly increase during the five years is shown in the following table:

PERSONAL INCOME ESTIMATES
1972-1976

	<u>Waynesboro</u>	<u>Augusta County</u>
1976	6,858	4,419
1975	6,138	4,076
1974	5,519	4,081
1973	5,145	3,771
1972	4,448	3,309

SOURCE: Tayloe Murphy Institute. Personal Income Estimates for Virginia Cities and Counties.

During the last five years, small loan activity in Waynesboro has followed the same pattern as the total of all offices in Virginia.

The following tables reflect the changes in number of accounts and amount of loans receivable in the Waynesboro offices and in all Virginia offices.

SMALL LOAN ACTIVITY
1973-1977
WAYNESBORO

Year	Number of Accounts	Amount of Loans Receivable
1973	3,082	\$1,791,890
1974	2,940	2,137,527
1975	2,743	1,919,873
1976	2,633	2,023,012
1977	2,762	2,210,917

SOURCE: Bureau of Financial Institutions. Annual Reports - 1973-1977.

SMALL LOAN ACTIVITY
1973-1977
VIRGINIA

Year	Number of Accounts	Amount of Loans Receivable
1973	397,743	\$ 241,364,000
1974	389,262	266,028,600
1975	361,690	271,311,600
1976	358,919	287,706,200
1977	357,910	305,377,000

SOURCE: Ibid.

Percentage decrease in number of accounts and increase in amount of loans receivable were about the same for Waynesboro and Virginia.

The decreases in number of accounts were 10.4% and 10% respectively for Waynesboro and Virginia. The gains in amount of loans receivable were 23.4% for Waynesboro and 26.5% for Virginia.

The following table identifies the population of Waynesboro and Augusta County by the age groups able to borrow from small loan companies.

POPULATION BY AGE GROUPS

	<u>Waynesboro</u>	<u>Augusta County</u>
18 - 24	2,102	6,630
25 - 34	2,325	6,671
35 - 49	3,054	9,206
50 - 64	2,746	7,775
65 & over	1,516	5,175

SOURCE: Sales and Marketing Management Magazine 1977. Survey of Buying Power.

According to a 1976 survey by the National Consumer Finance Association, the "average" borrower from a finance company is a skilled or semi-skilled worker, has average income of about \$11,000, has some liquid assets, is usually married, and under forty-five years of age.

The following tables show the percent distribution of borrowers from finance companies by income, age groups, and occupational groups.

DISTRIBUTION BY INCOME

	<u>Number of Loans</u>	<u>Amount of Loans</u>
Less than \$5,000	7.4%	4.6%
\$5,000 to \$8,999	32.2%	25.7%
\$9,000 to \$11,999	23.2%	22.7%
\$12,000 & over	37.2%	47.0%
TOTAL	100.0%	100.0%

SOURCE: National Consumer Finance Association. Finance Facts Yearbook, 1977.

DISTRIBUTION BY AGE

	<u>Number of Loans</u>	<u>Amount of Loans</u>
Less than 25 years	17.7%	12.2%
25 to 34 years	27.8%	29.3%
35 to 44 years	23.0%	25.8%
45 to 54 years	24.4%	23.2%
55 to 64 years	6.6%	6.0%
65 years & older	0.5%	0.5%
TOTAL	<u>100.0%</u>	<u>100.0%</u>

SOURCE: Ibid.

DISTRIBUTION BY OCCUPATION

	<u>1967</u>	<u>1970</u>	<u>1974</u>	<u>1976</u>
Proprietors, managers and office workers	6.4	5.5	6.1	10.1
Craftsmen, foremen and kindred workers	39.3	42.8	35.2	24.5
Operative, laborers and kindred workers including farm & mine	20.4	19.6	25.2	22.9
Clerical and kindred workers	6.2	6.1	7.5	7.5
Sales persons	2.8	2.8	2.8	2.6
School teachers	1.2	1.3	1.1	1.2
Professional and semi-professional workers, excluding teachers	3.1	2.0	1.5	1.6
Service workers, including government, civilian and military	15.7	14.2	15.4	14.5
Unemployed, occupation not reported and miscellaneous	5.0	5.7	5.2	5.1
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

SOURCE: Ibid.

All offices in Waynesboro were notified of this application. Replies from two offices have documented their opposition to this application.

Respectfully submitted,

Walter Wightman
Deputy Commissioner-Consumer Credit

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STATISTICS - WAYNESBORO, VA.

ALTITUDE - 1,307 feet above sea level	MANUFACTURING ESTABLISHMENTS - 22
AREA OF CITY SQUARE MILES - 7,467	NEWSPAPERS - 1
CHURCHES - 50	Name: The News-Virginian
	Average Circulation (1978): 14,150
CITY MANAGER TYPE OF GOVERNMENT	NURSING HOME - Liberty House Nursing Home
	with 109 Beds
COMMERCIAL BANKS - 5	POPULATION - Estimated
Total resources approx. \$6,200,000.00	City of Waynesboro - 16,100
Deposits approx. \$80,000,000.00	Trading Area - 125,000
Two (2) Savings & Loan Associations	
COUNTRY CLUBS - 2	PUBLIC LIBRARY - 70,172 Volumes and over
Swannanoa Country Club - 18 hole Golf	2,616 records
Course - Semi-Private	
Waynesboro Country Club - 18 hole Golf	PUBLIC UTILITIES CONSUMERS -
Course - Private	Virginia Electric & Power Company
DWELLINGS - Approximately 5,500	1952.....5,821
	1978.....6,405
FEDERAL HIGHWAYS - 2	
U.S. 250 East and West	Columbia Gas of Virginia, Inc.
U.S. 340 North and South	1952.....3,287
	1978.....6,349
GENERAL - Good recreational facilities,	Clifton Forge-Waynesboro Telephone Co.
prosperous business center, center of	(Telephone stations in service -
rich farm land, unmatched water supply,	Waynesboro exchange)
excellent climate	1954.....5,923
	1978.....21,674
HOSPITALS - 1 Community Hospital - 171 beds	Water Meters
HOTELS - 1	1958.....4,200
	1978.....5,937
MOTOR COURTS - 11	TOURIST HOMES - 3
INDUSTRY - The industries of Waynesboro-	RADIO STATIONS - 2
East Augusta are remarkably diversified.	WANV, 970 KiloHertz, 5,000 Watts
They include electronic devices, cordu-	WAYB, 1490 KiloHertz, 1,000 Watts
roy, velveteen, furniture, fruit, "Lycra",	
"Orlon", "Nylon", Metalcraft, pipe and	RAILROAD LINES - 2
electronic organs, plastic materials,	Norfolk & Western (North and South)
plastic and saran filaments, plywood,	Chesapeake & Ohio (East and West)
septic tanks, ship fittings, vinyl and	
house siding. Employment of approximately	RAINFALL - Annual inches: 39.98
9,000 people.	
INDUSTRIAL PAYROLL -	RED CROSS BLOOD PROGRAM -
In excess of \$140,000,000.00	Waynesboro and East-Augusta County have
Net effective buying income -	full coverage under program
1978.....\$101,414,000	
LOCATION - Eastern part of Augusta County	RETAIL SALES
in the Shenandoah Valley, Southern ent-	1978 - \$75,436,800.00
rance to the Skyline Drive, Northern	
entrance to the Blue Ridge Parkway	

RETAIL STORES - 234 (Chain outlets -32)

SNOWFALL - Annual in inches - 20.0

SCHOOLS - Total 1978-79 enrollment -

3,329 students - 230 Teachers

Twelve year school system

One four-year accredited high school

One accredited Junior High School

Six accredited elementary schools

(kindergarten through sixth grade)

Two Private Schools -

Bethany Lutheran School

Fishburne Military School

Adult night school program

Adult basic education courses

SWIMMING POOLS - 2

(1 built to Olympic standards)

TEMPERATURE

Winter 42 degrees; Summer 72 degrees

TENNIS COURTS - 11 Public; 9 Semi-Public

THEATRES - Private - 1 Drive-In - 2

TRANSPORTATION

Main lines of the Chesapeake & Ohio and

Norfolk & Western cross in Waynesboro.

Complete freight service. Modern bus

lines with headquarters in Waynesboro

connecting with transcontinental bus

lines

Airports - Local for private planes

Shenandoah Valley Airport - 17 miles

served by Piedmont Airlines

TRUCKERS - 5

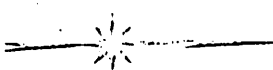
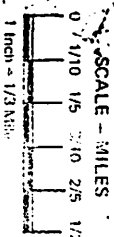
YMCA - Up-to-date facilities for health
and recreation



**WAYNESBORO
VIRGINIA**

4-1772

AERIAL PHOTO



Ed. J. Off. Co.
Real Estate
REALTORS
942-9255

Rosser Ave. (Rt. 310) at Twelfth St.
Waynesboro, Virginia 22980
Telephone 7-943-1188

STREET MAP OF THE CITY

WAYNESBORO VIRGINIA

GENERAL ELECTRIC CO.

CITY DUMP

SCALE - MILES

0 1/10 1/5 3/10 2/5 1/2

1 Inch = 1/3 Mile

===== DENOTES STREETS NOT IN USE

Edna Helen Kent

REALTORS

942-9255

Rosser Ave. (Rt. 340 South) at Twelfth St.
Waynesboro, Virginia 22980
Telephone 703: 943-1188

5	2nd Street . . . F-3 3rd Street . . . F-3 4th Street . . . F-3 5th Street . . . F-2 6th Street . . . F-2 7th Street . . . F-2 8th Street . . . E-3 9th Street . . . F-2 10th Street . . . D-2, 3 11th Street . . . D-2, E-2 12th Street . . . D-2 13th Street . . . D-2 14th Street . . . D-2 15th Street . . . D-2 16th Street . . . D-2 17th Street . . . E-1 18th Street . . . E-1	S. Delphine Ave. . . E-2 DeWitt St. . . E-3 Dinwiddie Ave. . . E-3 Dogwood Ave. . . E-3 Dominion Drive . . . B, C-4 Dorsey Drive . . . E-2 DuPont Blvd. . . D-2 DuPont Circle . . . D-3 E Street . . . F-2 East Ave. . . E-3 Edgely Rd. . . C-2 Edward Ave. . . D-3 Elizabeth Ave. . . E-3 N. Elkin Ave. . . F-3 S. Elkin Ave. . . E-2 Elkhorn Ave. . . E-3 Ellison Circle . . . D-3 Ellison Lane . . . C-3 Elm St. . . E-3 Essex Ave. . . E-3 Essex Lane . . . A-4 F Street . . . F-2 Faber Ave. . . F-3 Fairfax Ave. . . E-3 Fairmont Ave. . . F-2, 3 Fairview Ave. . . E-3 Fairway Drive . . . E-3 Federal St. . . D, E-2 Fir Street . . . E-3 Flagpole Ave. . . D-3 Florence Ave. . . E-3 Florida Ave. . . F-4 Fontaine . . . E-3 Forest Ave. . . E-2 Forest Drive . . . C-3 Frederick St. . . D-1, 2 Frye Ave. . . F-3 G Street . . . F-2 Gardner Ave. . . F-3 General Electric Dr. . . F-3 Georgia Ave. . . F-4 Glencoe Ave. . . F-3 Glenwood Blvd. . . C-2 Grace . . . F-2 Grandview Drive . . . A-2 Grayson Ave. . . E-3 Greenbrier Rd. . . C-2 Greendale Rd. . . C-2 Greenway Circle . . . C-2 Green Avenue . . . D-3 Gum St. . . E-3 Gun Ave. . . E, F-2 Guyton Ave. . . B, C-2 Hamlet Ave. . . F-3 Harding Ave. . . F-4 Herman Ave. . . F-3 Hawthorne Lane . . . B-3 Hemlock St. . . E-3 Henry Ave. . . D, E-3 Hewitt Lane . . . C-1 Hickory St. . . D-3 High St. . . F-3 Highland Ave. . . E-3 Hollins Road . . . C-2 Hopeman Parkway . . . C-3, D-4, E-4 Horace Ave. . . F-2 Howard Ave. . . D-3 Hunter St. . . F-2 Isle Ave. . . E-3 Ivanhoe Ave. . . F-3 Ivy St. . . D-3 Jackson Ave. . . F-3 James Ave. . . E-3 Jefferson Ave. . . D-1, 2 Jefferson Lane . . . B-4 Keeling Ave. . . C-1, 2 Kenilworth Rd. . . B-4 Kent Rd. . . C-2 King Ave. . . D, E-3	Kingsbury Drive . . . A-4 Kirby Ave. . . F-2, 3 Lancaster Blvd. . . B-4 Lancaster Ave. . . A-4 London . . . F-2 Laurel Ave. . . D-3 Lee Ave. . . F-3 Lee Drive . . . B, C-4 Linden Ave. . . D-2, 3 Link Road . . . C-3 Locust Ave. . . D-2 Lombardy Circle . . . D-4 Loudoun Ave. . . D, E-3 Lover's Lane . . . C-2 Lowery Lane . . . C-1 Lyndhurst Road . . . C-1, D-2 Lynn Lane . . . C-2 Madison St. . . D-3 N. Magnolia Ave. . . D-3 S. Magnolia Ave. . . D-3 E. Main St. . . F-2 W. Main St. . . C-3 Malcolm Ave. . . G-3 Maple Ave. . . D-2 Marbet Ave. . . E-2 Maryland Ave. . . F-4 McBryde Ave. . . E-2 McElroy Ave. . . C-3 Meadow Brook Rd. . . C-2 Mill St. . . E-2, 3 Monroe St. . . D-3 Monticello St. . . C-3 Mt. Vernon St. . . C-3 Mountain Rd. . . D-1 Muttery St. . . D-3 Park Road . . . C, D-3 Petham Drive . . . B-4 Pickett Road . . . C-3 Pine Ave. . . D-2 Plantation Lane . . . B-4 Poplar Ave. . . D-2, 3 Port Republic Rd. . . E-3 Pratts Woods . . . B-2 Prince Edward Ave. . . B-4 Princess Anne Rd. . . B-4 Quenton Place . . . B-4 Race Ave. . . E-2 Randolph Ave. . . D-3 Reservoir St. . . F-3 Rhonda Drive . . . C-3 Richardson Ave. . . F-2 Ridge Circle . . . D-2 Ridgewood Rd. . . D-1 River Road . . . D-2 Robin Rd. . . D-2 Roser Ave. . . C, D-3 St. David Lane . . . C-2 Seybert Ave. . . C-3 Shamrock Lane . . . C-2 Shawnee Rd. . . C-2 Shenandoah Ave. . . F-3 Sherwood Ave. . . E-3 Shiloh Ave. . . E-3 Shore Road . . . C-2 Short St. . . E-2 Shyland Ave. . . C-3 Smith . . . E-3 Spring Rd. . . F-4 Spruce St. . . D-4 Stayman Ave. . . D-1 Stonewall Drive . . . B, C-4 Stuart St. . . D-3 Sudbury St. . . A-4 Sumac Ave. . . F-4 Summercrest Ave. . . C-3 Sunset Drive . . . A-2 Sunset Lane . . . B-2 Talbott Place . . . C-3 Tarlton Drive . . . B-4 Tuckahoe Rd. . . C-2 Valley Rd. . . D-2 Vedette Ave. . . B-3 Village Drive . . . C-4 Walnut Ave. . . D-2 Warehatch Circle . . . C-2 Washington Ave. . . D-2 Wayne Ave. . . D-2 Wayneside Rd. . . C-3 Western Rd. . . D-1 Westminster Rd. . . C-3 Wheaton Drive . . . A-4 White Oak Road . . . C-2 Wickham Lane . . . E-3 Wilson Ave. . . E-3 N. Winchester Ave. . . F-3 S. Winchester Ave. . . D-1, 2 Windsor Rd. . . D-1, 2 Wine Ave. . . F-3 Woodland Circle . . . F-2 Wendover Ave. . . D-2 Woodsie Lane . . . C-3 York Drive . . . C-1 Yorkshire Ave. . . B-4	POINTS OF INTEREST Berkley Glenn Elementary School . . . D-1 Fishburne Military School . . . D-2 Hospital . . . D-2 Jacobson Wilson Grammar School . . . D-2 Kate Collins School . . . D-3 Junior High School . . . D-3 Ridgeway Park . . . C-2 Riverside Cemetery . . . D-2, 3 Rosenwald Elem. School . . . E-3 Shenandoah Heights Elementary School . . . F-3 Waynesboro Country Club . . . C-2 Wenonah Elem. School . . . E-2 * Ed & Helen Kent Realtors
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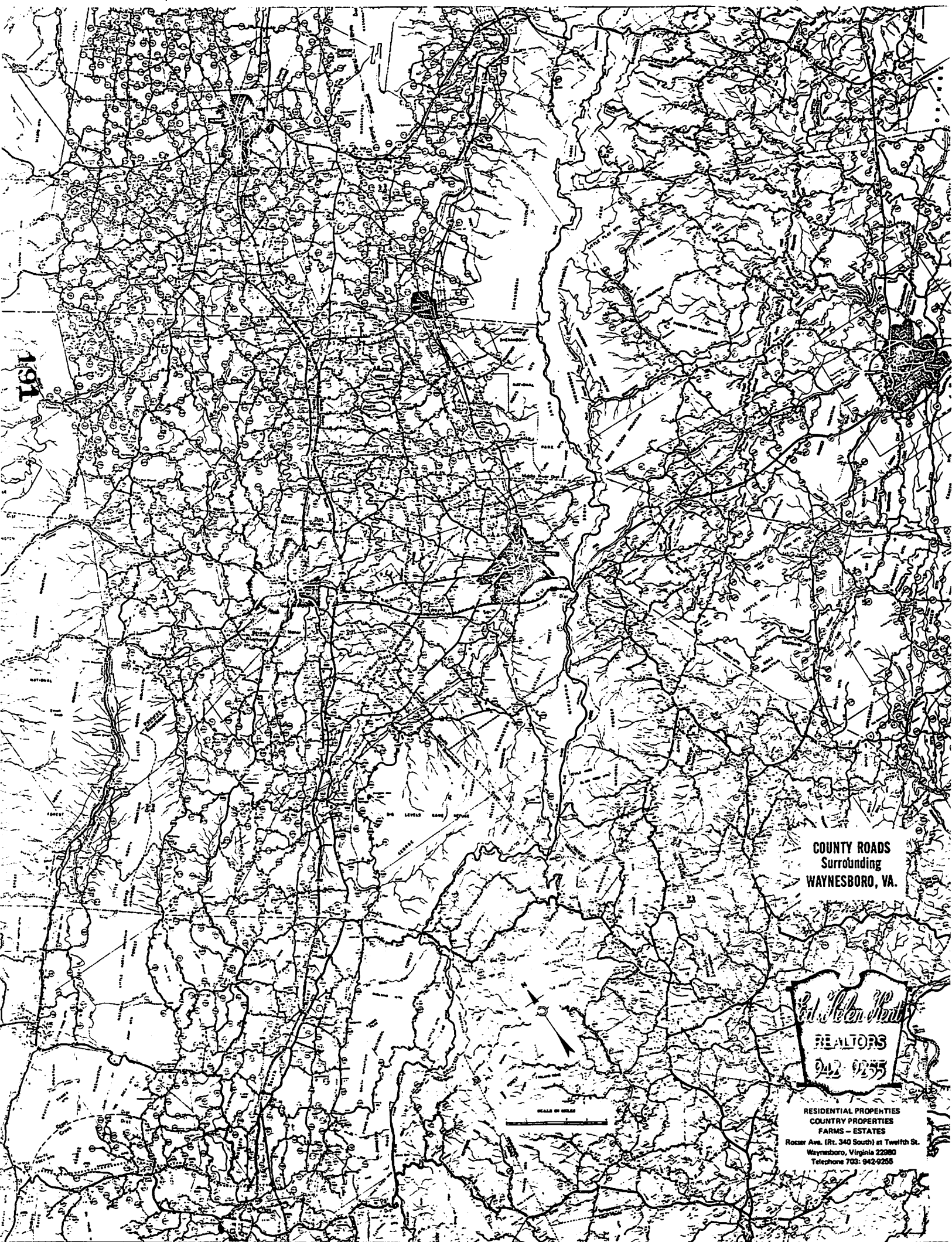
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**Rosser Ave. (Rt. 340 South) at Twelfth St.
Waynesboro, Virginia 22980
Telephone 703: 943-1188**

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COUNTY ROADS
Surrounding
WAYNESBORO, VA.

Ed Helen Hunt
REALTORS
942-0255

RESIDENTIAL PROPERTIES
COUNTRY PROPERTIES
FARMS - ESTATES
Roczer Ave. (Rt. 340 South) at Twelfth St.
Waynesboro, Virginia 22980
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First Edition

30

WAYNESBORO — EAST AUGUSTA
VIRGINIA
Home Life Almanac



Bank Planters Bank

Planters Bank & Trust Company of Virginia

.251 North Popular Avenue 942-7145

Highway 250 West 943-1161



WAYB ACTION RADIO

DIAL 1490

Waynesboro, Va.

942-1490



Teaverton

BUILDING SUPPLY COMPANY

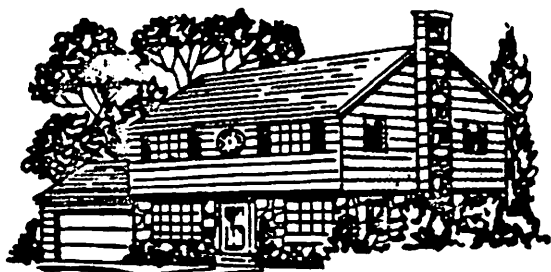
Building Supplies for new homes & remodeling

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*Residential Builder - Specializing in
Custom Built Homes & Residential Lots*



CARL W. KERBY
President

(703) 942-5857

Mobile Phone 943-9437

Rt. 250 West Waynesboro, Va.

The Purple Foot

bringing the world of wines and cheeses to
Waynesboro, Virginia 22980 • 1035 W. Broad St. • P.O. Box 986

Wines and cheeses are fast becoming the popular way to entertain and to make something special out of something ordinary. To fill the need for these types of wines, cheeses, and gourmet foods, a delightful shop has opened in Waynesboro. Known as the Purple Foot, it carries a very complete selection of imported and domestic wines, cheese, beers, breads, meats, gourmet foods, and accessories for the gourmet cook and gift seeker. Although very fine wines are provided, the philosophy of the Purple Foot is to show and emphasize that very lovely wines are available at reasonable prices. A unique feature of the shop is to provide customers with a taste of many of their wines and cheeses so that the risk of buying something unknown is eliminated. The Purple Foot, one of the most attractive and beautiful shops in the Valley, is located next to the Centre-for-Shopping on Broad Street. Interestingly, the phone number is 942-WINE.

• phone (703) 942-WINE



Our Very Special Thanks To The

Waynesboro - East Augusta

Chamber of Commerce

for the valuable assistance and information provided

and for helping Home Life Almanac to become

part of the community.

History of Waynesboro, Virginia

HISTORY OF THE CITY

Waynesboro's beginning dates back to a land grant from King George II on August 12, 1736, to William Beverly. A few years later Mr. Beverly transferred 465 acres of the tract to Joseph Tees, and it is upon this area that Waynesboro was born. In those days it was called "Teesville" after its owner, but in 1797 the name was changed to honor the popular and dashing army officer, "Mad Anthony" Wayne. Legend has it that Wayne fought one of his battles against the Indians in this vicinity, but history has since disproved this story.

The early settlers were chiefly Presbyterians who had fled their homes in Northern Ireland because of religious persecution. A few German Reform and Quakers completed the small population, which by 1810 numbered only 250. Two famous taverns made Waynesboro popular with early 1800 travelers. One, Major Wilson's Tavern, was a frequent host to General Joseph McDowell, a Civil War hero. The Tavern burned in April 1861. The other inn was Mountain Top Tavern, located on what is now known as Swannanoa Mountain. The first post office was set up in 1802 with Isaac Hayes as postmaster.

When the tunnel through the Blue Ridge Mountains was built near Waynesboro, the French officer Colonel Claudius Crozet, was chosen to head the work. His name later was given to the town located east of the tunnel.

Even in its early days, Waynesboro was noted for its schools. The first one of any importance, Waynesboro Academy and Town Hall, was built in 1832. Because its student body went to fight in the Civil War, the school had to be closed, but became a hospital instead for wounded soldiers. James A. Fishburne, who in 1879 founded Fishburne Military School, was the professor who re-opened the Academy at the end of the war.

During the War between the States, Waynesboro was the scene of some fighting action, mostly in the form of skirmishes both in and around the town. One of the most important incidents in this area occurred on March 2, 1865, when General Sheridan trapped and captured nearly 2,000 of General Jubal Early's men, but General Early managed to escape.

A few of the old homes and businesses still standing indicate that the town began on what are now known as Ohio and Main Streets. The first brick house, built by Casper Coiner in 1806, is still in use in the 300 block on the south side of Main. Another old landmark, The Withrow Home, built in 1826, has been razed within the past few years and replaced by an ultra-modern department store. The building now in use on the northwest corner of Main Street and Wayne Avenue is located on the same spot where Daniel Fishburne started his first business between 1830 and 1835.

History of Waynesboro, Virginia

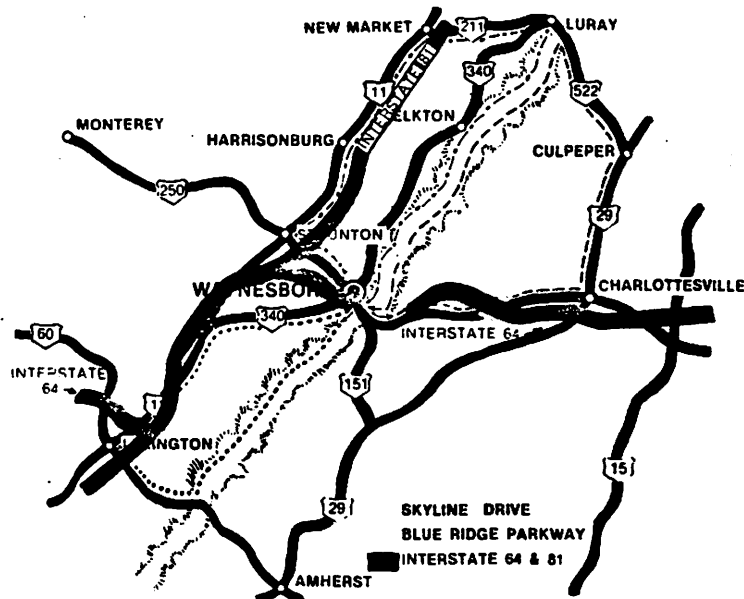
Basic City, now an important part of Waynesboro, was chartered in 1889. The following year the Mining, Manufacturing & Land Company issued \$700,000 in stock for the development of the site selected by Joseph Reese for the manufacture of steel by the "basic process" and it was from this process that the town's name originated. In 1923 the consolidation of Basic City and Waynesboro was affected, thereby at one and the same time eliminating and creating problems which, in the ensuing years, has proven itself to be to the best interests of the citizenry of both communities.

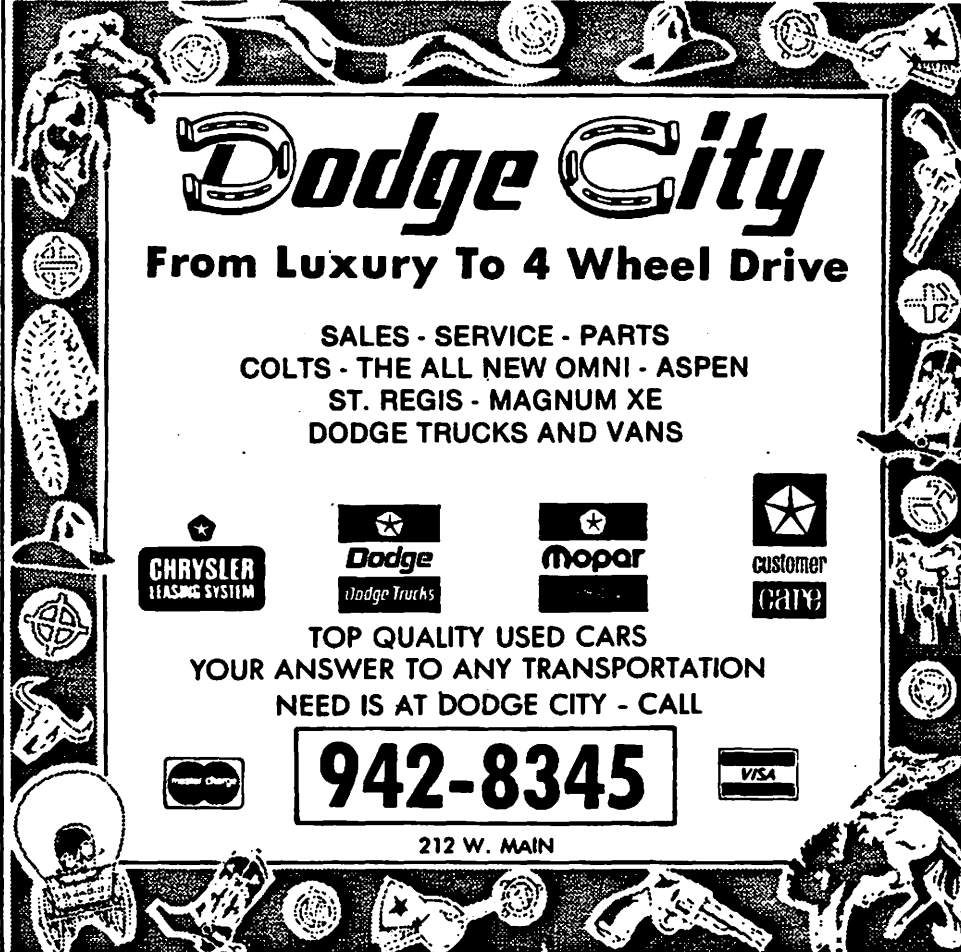
Some of the industries which saw their beginning in or before the 1890's are still thriving manufacturing plants. The Waynesboro Stove Works, started about 1888 or 1889, has now become Virginia Metalcrafters, Inc.; Lambert Brothers Lumber Yard is Lambert Manufacturing Company; Basic Furniture Company is now Basic-Witz Furniture Industries, Inc., and the Waynesboro Creamery is still doing business. During the "old" days Waynesboro was proud of its two hotels---the famous Hotel Brunswick which was located on South Wayne Avenue and the Hotel Killian on Main Street. Basic City, during 35 years of independent existence, boasted four hotels---The Sweeney, Central, The Brandon, (now Fairfax Hall School for Girls) and The Belmont.

From the turn of the century until 1925 Waynesboro was better known, perhaps, as a resort town. The altitude (1,307 feet), climate which provides reasonably cool nights throughout most of the hot summer months, mountain climbing, hiking and fishing in the (then) clear stream that completely crosses Augusta County near the foot of the Blue Ridge were a few of the attractions that appealed to most vacationists in those days. During those early years of this century, Brandon Hotel, Brunswick Inn and Seminary Inn were popular resorts for summer guests from June to September. In addition, a number of private homes also took "summer boarders" and the sum total of this seasonal business had a considerable effect on the economy of what was then little more than a small village.

The community actually began to industrialize with the building and opening of the Stehli Silk Mill about 1924. Since then the growth and expansion of industry has been steady with the result that the population of Waynesboro has increased more than fourfold since 1923, moving from something over 3,000 at that time to the present estimated 18,500. Present trends indicate a continued increase and even more rapid growth in the immediate future.

Area Map of Waynesboro, Virginia










Dodge City

From Luxury To 4 Wheel Drive

SALES - SERVICE - PARTS
COLTS - THE ALL NEW OMNI - ASPEN
ST. REGIS - MAGNUM XE
DODGE TRUCKS AND VANS



TOP QUALITY USED CARS
YOUR ANSWER TO ANY TRANSPORTATION
NEED IS AT DODGE CITY - CALL



212 W. MAIN

HOME LIFE ALMANAC

MERCHANTS & SERVICES

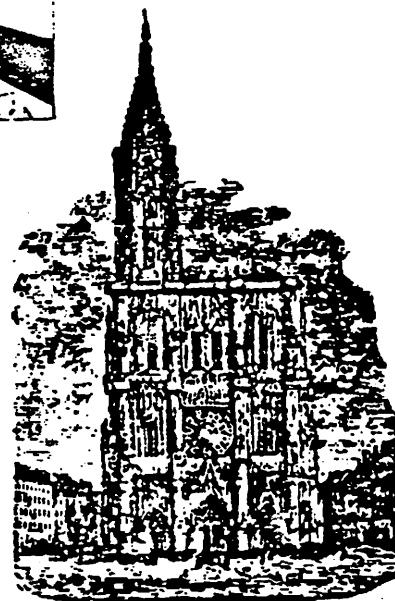
REFERENCE GUIDE

National Consumer Marketing is proud to present this First Edition of the Waynesboro - East Augusta, Virginia Home Life Almanac.

This publication has been made available to you free of charge with the support and cooperation of the following business establishments within the community.

BANK	Planters Bank & Trust Co. of Va.	942-7145
REALTOR	Ed & Helen Kent Realtors	942-9255
AUTO DEALER	Dodge City	942-8345
BUILDER	Westhills Co.	942-5857
BUILDER	Leo Cekada Co.	942-7620
BUILDING SUPPLY	Teaverton Bldg. Supply Co.	943-3179
FUEL OIL	Driver Heating Oil, Inc.	942-7111
FUNERAL HOME	Etter Funeral Home, Inc.	942-8383
RADIO STATION	WAYB.....	942-1490
RESTAURANT	Perkins Pancake House.....	942-1930
USED CAR DEALER	Ed's Auto Sales	943-2413
WINE AND CHEESE	The Purple Foot	942-WINE

HOUSES OF WORSHIP



First Baptist
301 S. Wayne Avenue
Dr. R. W. Higdon

Waynesboro Brethen
364 Bridge Avenue
Rev. J. Wayne Judd

St. John's Catholic
320 Maple Avenue
Rev. James M. Noto

West Waynesboro Church of Christ
2212 Cortland Street
Rev. Phillip R. Forehand

St. John's Episcopal
473 S. Wayne Avenue
Rev. Louis H. Fracher

Bethany Lutheran
West Main Street
Rev. Jon T. Diefenthaler

Grace Evangelical Lutheran
500 S. Wayne Avenue
Rev. Robert J. Richards

Springdale Mennonite
U.S. 340 East
Rev. Duane Gingerich

Etter

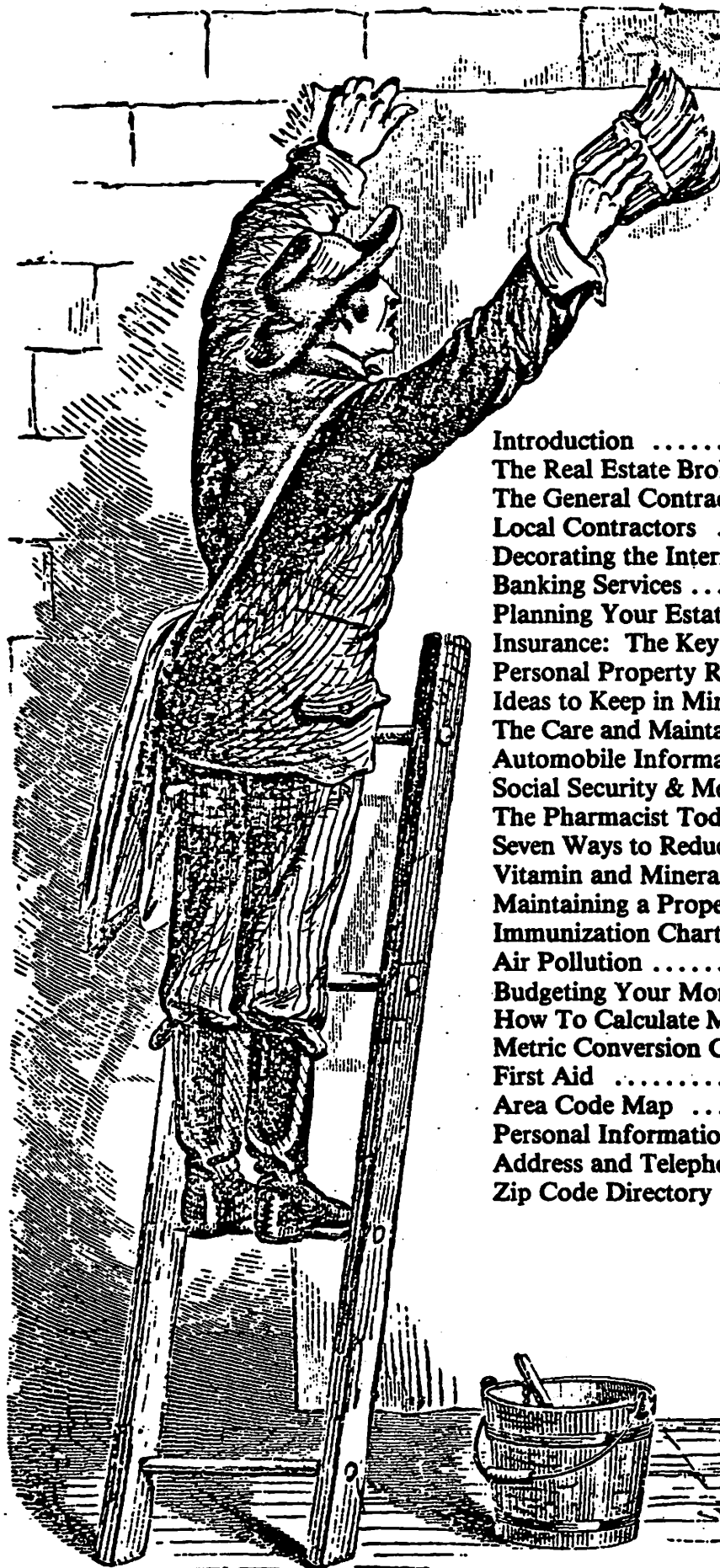
FUNERAL HOME

618 West Main Street, Waynesboro

942-8383

Charles R. Reynolds

Joseph G. Workman



HOME LIFE ALMANAC

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We wish to express our thanks
and appreciation to:
American Cancer Society
New York Telephone Company
United States Postal Service
for their help and cooperation
in compiling the HOME LIFE
ALMANAC.

Art Director-Jackie Ehrlich
and the staff of Advertising Unlimited

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INTRODUCING YOUR HOME LIFE ALMANAC



Your Home Life Almanac has been specially prepared to provide you with useful facts and information to help you in your daily life. Included are sections on the care and maintenance of your home, health, social security and Medicare facts; and local automobile regulations, nutritional hints and steps to budgetary planning - all designed to help you and your family enjoy a better life.

Government studies have shown that the home and home improvements represent the greatest single investment in anyone's lifetime. **HOME LIFE ALMANAC** will show you how the use of local contractors for home repairs and maintenance will save you both time and money. Your local general contractor possesses the skill and knowledge to serve your specific needs, as well as the ability to complete his job accurately, efficiently and at a reasonable price.

Your general contractor is also the best source to recommend various sub-contractors to fulfill your household needs.

Within your community there are many types of subcontracting services available to you. The sub-contractor is a skilled laborer who performs specialized tasks in different areas of home care and maintenance. Among the types of subcontractors serving your community are plumbers, masons, electricians, painters (both exterior and interior) and roofing and siding contractors. In addition, there are contractors who install and service air conditioners, drill wells, insulate your home, and provide fuel and servicing for your furnace. Care and maintenance of the property surrounding your home adds to the beauty and value of your home. Landscapers can design floral and shrubbery arrangements which will enhance the appearance of your home.

These are just a few of the many types of contracting services available in your community. The contractor is a skilled professional trained to serve your specific needs and

to remove some of the burdens of owning a home, thereby providing you and your family with more leisure time to spend together. Contractors are a combination of problem solvers, technicians, laborers and advisors all rolled into one. Take advantage of their vast experience and knowledge.

As you rely on local services for home care and maintenance, so should you seek local merchants for all your shopping needs. Local businesses provide a complete array of goods and services for every member of the family. Whether shopping for a new car, food, clothing, or furniture, your local merchants are the people you can rely on. Local service professionals such as insurance agents, real estate brokers, accountants, travel agents, and bankers are the most knowledgeable individuals in these specialized areas and should be consulted whenever their skill and expertise can be utilized.

Remember that support of local business provides both jobs and revenues for your community. These businessmen will make every effort to provide you with the best advice, best service and best values for your money. Rely on local businesses whenever you can.

As you enjoy reading your **HOME LIFE ALMANAC**, you will note numerous advertisements by local merchants and contractors. It is the policy of this publication only to accept ads from businesses and contractors who meet the highest standards of quality and reliability. Advertisements appearing in the **HOME LIFE ALMANAC** are accepted upon the recommendation of your local real estate broker subject to the approval of National Consumer Marketing. When you do business with any of the merchants or contractors whose ads appear in this publication, you will be assured of receiving reputable and professional service.





Whether you wish to buy or sell a home, your local Real Estate Broker will help you achieve your goals.

The **LOCAL REAL ESTATE BROKER** is a special individual in your community. He is probably the most knowledgeable person on the subjects of schools, churches, businesses, and properties in the neighborhoods which he serves. When you consult a **REAL ESTATE BROKER**, you know that you will receive sound and competent advice.



SERVICES YOUR REAL ESTATE BROKER PROVIDES

The Real Estate Broker performs a number of important functions for both the seller and buyer of a home. For the seller, the **REAL ESTATE BROKER** will:

(1) Place **FOR SALE** advertisements in local newspapers and magazines. In addition the **REAL ESTATE BROKER** will promote the sale of your home to prospective buyers through his office.

(2) Screen potential buyers, **REAL ESTATE BROKERS** assure the seller that only serious buyers are brought to his home. In this way, the seller's time is not wasted showing his home to idle curiosity seekers or browsers.

(3) Arrange viewings and meetings at the seller's convenience. The seller can tell his broker what hours and days his home may be shown. In the way, the seller will not be disturbed at odd hours or when he is not expecting company.

(4) Negotiate price with prospective buyers so that the seller receives what he feels is the best possible offer for his home.

For the buyer, the **REAL ESTATE BROKER** will:

(1) Provide information about the neighborhood. Prospective buyers make their decisions on a home based on many factors. The **REAL ESTATE BROKER** can answer questions and provide basic information to aid the buyer.

(2) Determine the right type of house to show. The **REAL ESTATE BROKER** tries to learn exactly what the buyer is looking for. He will ask many questions, and with this information, he will try to provide what the buyer is looking for. Going through a broker saves the buyer time because it will eliminate looking at houses unsuitable to your needs or budget.

(3) Accompany the buyer and introduce him to the seller. The presence of a broker puts both buyer and seller at ease. The broker can also act as a moderator so that discussions between buyer and seller proceed smoothly.

(4) Accept and hold a deposit in escrow until terms have been reached and a mortgage loan obtained. The **REAL ESTATE BROKER** can recommend banks which may provide a mortgage for the buyer.

SELECTING THE RIGHT REAL ESTATE BROKER

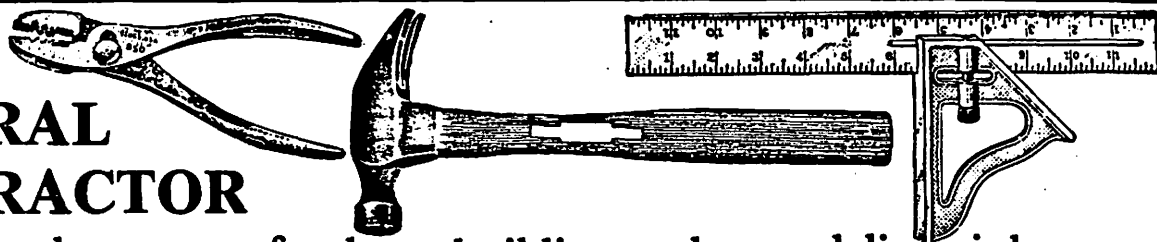
When looking for a **REAL ESTATE BROKER**, recommendations should be obtained. If you don't know people in the area, local bankers or the local Chamber of Commerce can provide the names of reputable and qualified brokers in the area. In selecting a broker, be sure he is someone you feel confident in dealing with. The right broker is someone who takes an interest in his clients needs and the community which he serves.

REAL ESTATE BROKERS will provide the buyer and seller of a home with sound advice and guidance so that both parties will be happy and satisfied. A home is the largest single investment most individuals make in their lifetime. Whether you are interested in buying or selling a home, always seek the services of a **REAL ESTATE BROKER**.

If you are thinking of building a new home, or remodeling an old one, your real estate broker can recommend a good general contractor to you. From his vast experience, your local real estate broker, will know of a qualified, reasonably priced, professional **GENERAL CONTRACTOR** who will do an outstanding job for you.



THE GENERAL CONTRACTOR



The take-charge man for homebuilding and remodeling jobs

WHY USE A GENERAL CONTRACTOR?

Having first of all decided to build or remodel a home, your next decision should be whether or not to employ a general contractor to perform the functions necessary to satisfactorily complete your specific needs. Some individuals feel that they can cut costs by eliminating the services of a general contractor and assume the contractor's role themselves. Few realize, however, the complexity and risks of the task they are undertaking. For most of us, the simple fact is that we lack the knowledge, expertise, experience, and time necessary to build or remodel a home. We must turn to an individual who possesses the skill and ability to get the job done and make sure it is done right. The general contractor is the man to consult.

FUNCTIONS OF THE GENERAL CONTRACTOR

The general contractor performs a multitude of functions in directing the building or remodeling of your home. He will assume all the duties and responsibilities required to complete the job properly. Among the services which the general contractor can provide are:

- **Selecting and supervising the work of sub-contractors**(such as masons, plumbers, carpenters). Having a general contractor means you won't have to worry about finding, paying or supervising various sub-contractors. The general contractor includes their fees in his estimate and assumes complete responsibility over the sub-contractors. Being a frequent user of sub-contractors, your general contractor has several advantages which you, the individual, do not. He knows which sub-contractors are the most reliable and do the best quality work and will get the most reasonable price possible. The general contractor oversees the sub-contractor's work and will handle all of the problems and worries, thereby saving you much time and energy.
- **Arrange financing for your job through his bank.** This will help assure you of obtaining the money necessary for your job and confirm that you are getting the best possible price.
- **Complies with all local laws and ordinances.** Any building or remodeling project must meet strict guidelines established by local government. Your general contractor is completely familiar with the laws regulating his profession. He will obtain all of the building permits needed and will see that the work he performs conforms to the standards and guidelines established for your locality.

- **Guarantee the work that he performs.** Your general contractor builds his business on his reputation. He aims to please you. He guarantees his workmanship and will fulfill the warranties offered on any of the materials he installs.

- **Provide ideas and advice for you to consider.** Most of us have a good idea what we want in building or remodeling a home. The general contractor translates these ideas into reality. He will listen, criticize, and make adjustments to your idea in an effort to provide you with what you are looking for. If you don't have a specific plan in mind, the general contractor can present a number of ideas for you to consider. The general contractor knows his business and aims to please you.

HOW TO CHOOSE THE RIGHT CONTRACTOR

Having decided to employ a general contractor, your next step is to choose one of the general contractors servicing your town. If you have previously dealt with a general contractor and were satisfied with his work, you would probably select him again. If you are not familiar with the general contractors in your area, there are several places you can turn to seek advice in choosing the right man for your job. A good source is to ask friends or neighbors to recommend a good general contractor. Chances are that someone you know will have used a local contractor and will be glad to recommend him to you. Another source of information on general contractors is your **Real Estate Broker or Bank**. These institutions can readily provide you with the names of several reliable general contractors in your area. Often your local Chamber of Commerce or Better Business Bureau can provide you with additional information to help you make your choice.

There are several criteria you should use in selecting the general contractor right for you. Get references from each of the general contractors you are considering. Reliable contractors are proud of their accomplishments and will be glad to show you examples of their work or provide references you can check. Your local Better Business Bureau or Chamber of Commerce can appraise you of a general contractor's reputation and integrity as well as financial stability. Inasmuch as the general contractor will have complete charge of the budgeting and allocating the money you provide for construction, his reputation, integrity and management capabilities should be assessed as carefully as his financial rating. Take the time necessary to select the right contractor for you.

Remember, the general contractor is in the business to serve you. He will save you time and money and will worry about all the little details necessary to complete your job for building and remodeling your home. Consult a general contractor.

LOCAL CONTRACTORS

Professionals Who Will Help You Maintain and Improve Your Home

Taking care of your home starts from the moment you move in until the moment you leave. Proper maintenance and improvements to your home will bring you added satisfaction while living there and added dollars when you sell your home. A variety of local contractors servicing your community can help you with the responsibility of maintaining or improving your home. Listed below are but a few of the many types of contractors available to serve you.



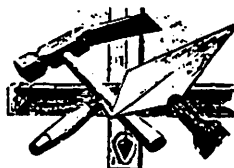
PAINTER

The exterior of your house creates the first impression visitors get of your home. It is important, therefore, that the outside of your house be kept looking as good as the inside. While many people attempt to paint the exterior of their homes themselves, it is usually advisable to call on the services of a local professional painter. When you employ a professional painter, you can be sure that your home will be painted neatly and properly, with no trouble to yourself. He has all the equipment necessary to do the job and the knowledge and experience to select the best type of paint for your home. The painter you select can also paint the interior of your house and give you advice as to how to best care for and preserve all the painted surfaces inside and outside your home. Use of a professional painter will assure you of a beautiful paint job that you can be truly proud of.



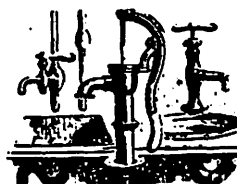
ROOFING AND SIDING CONTRACTOR

Your roof is one part of your home which is most vulnerable to the ills of nature. Being exposed to all types of weather conditions throughout the year, your roof should be periodically checked for signs of damage or weakening. The man to call for such services is a roofing and siding contractor. What will a roofing and siding contractor do for you? Plenty! First, he will inspect your roof to check for water damage or any other condition which should be remedied. Should he find something wrong, the roofing and siding contractor is an expert in such matters and will know what steps to take to assure you that your roof will always provide the protection it is supposed to give. He will repair cracked shingles, even out rough surfaces, and replace worn out shingles. While checking your roof, he will clean out dirty or clogged leaders and gutters. Installing aluminum or other types of siding is another service this contractor can provide. Your roofing and siding contractor knows what type of siding will give your home the best protection against damage and how to install siding quickly and effectively for you.



MASONRY CONTRACTOR

Masons are contractors skilled in working with concrete, cement and brick. They can perform a variety of tasks designed to keep your home in good repair as well as doing work which will improve and beautify the appearance of your home. Think about all the areas of your home constructed with brick or concrete. Starting from the bottom, a mason can check for damage or cracks in the foundation of your home. A once a year check by your masonry contractor can detect trouble and prevent serious structural damage to your home. The walls of most basements are constructed of one form of concrete or another. A mason can check for cracks caused by simple or severe variation of weather and temperature and repair any problems before leakage or even worse problems appear. In addition, masons are skilled in the construction and repair of fireplaces and patios, stoops and driveways. They will do custom made work that you will be pleased with.



PLUMBING AND HEATING CONTRACTOR

Your plumbing and heating contractor provides several essential services for your home. Don't wait for an emergency to occur before calling a plumber. A periodic check of your pipes can uncover potential problems which later could damage your home and be costly to repair. Your plumber will tighten loose bolts and replace any worn or rusted sections of pipe. When seeking to modernize or do alterations to your bathroom or kitchen, the plumber is the man to contact. He can install, repair, or replace sinks, toilets, showers and tubs. In addition many plumbers offer a complete selection of vanities and other bathroom and kitchen fixtures for your decorating needs. Your plumber is also a trained specialist in cleaning and unclogging sewers and drains. Maintenance of your heating system is very important. Have your plumbing and heating contractor examine your heater regularly. He can detect and correct any problems found so that you and your family can feel confident your heating system will always work properly and safely.



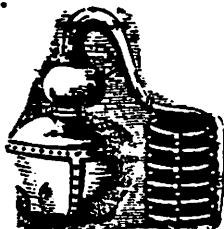
ELECTICAL CONTRACTOR

When dealing with electricity, don't take chances. Always rely on a trained technician, your electrical contractor, to safely do all your electrical work. He can install proper wiring for electrical items such as light, heat, power and fire and security alarm systems. In addition he will see that major appliances such as ranges, dryers and air conditioners are adequately wired and properly installed. Your electrical contractor can also give you advice as to the best and most efficient electrical appliances to purchase for your home. For installation or repair of electrical equipment, your electrician should always be called.



INSULATION CONTRACTOR

Good insulation is the best way to save money on your heating bills. As heat is dispersed throughout your home, it escapes through cracks and air spaces around doors and windows, rises through ceilings, and seeps through walls. While nothing will completely prevent some heat from being lost, good insulation will make it harder for heat to get away and be wasted. Good insulation pays for itself by lowering costly heating bills within a short number of years. Studies by the Federal Energy Administration and National Bureau of Standards have shown that improvements in insulation can cut your heating bills in half. Your insulation contractor will check your home thoroughly to determine where and how to insulate your home efficiently. He can chalk and weatherstrip windows, check beams or joints under your attic floor and inspect the underside of your basement's overhead flooring. Start saving money on your heating and cooling bills soon by calling your insulation contractor.



EXTERMINATOR

Calling a local exterminator periodically should be part of every homeowner's maintenance program. Even the cleanest homes can become the target of termites and other pests. Besides posing a threat to you and your family's health, pests and termites can inflict serious damage to your home. Don't wait until it's too late. The cost of pest control is minimal compared to the potential cost of structural damage termites and pests can cause. Protect your home and your health by calling your exterminator on a regular basis.



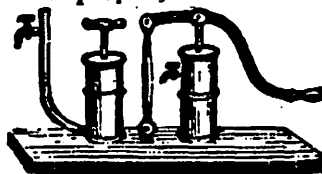
SWIMMING POOLS

Swimming pools are becoming increasingly popular and are no longer thought of as strictly a luxury. They not only provide recreation for the entire family, but also enhance the beauty of your home. A swimming pool will also add considerable value to your property should you someday decide to sell. Your local swimming pool contractor can help you design a beautiful pool. He can recommend a swimming pool which will suit your family's needs and your budget as well. Your local swimming pool contractor will see that your swimming pool is installed correctly and maintained properly so that it brings you great enjoyment for many years.



FENCING CONTRACTOR

Fences provide a way of insuring the privacy of your home. Besides serving this function, a fence also can enhance the beauty of your home and property. Your local fencing contractor possesses the knowledge and experience to install your fence correctly. He can help you select a fence which is both practical and decorative. Should you have a swimming pool installed, your fencing contractor will build a fence around it for you. When you use a fencing contractor, you can be sure your fence will be installed and maintained properly.



WELL DRILLING CONTRACTOR

If your home's equipped with water pumps originating from wells, you should have them checked at least once a year. Good maintenance of these pumps will preserve the motor and avoid the need for costly repairs. Your local well drilling contractor will see to it that your pumps function properly, and he will repair any damage that might be discovered.



CESSPOOL AND SEPTIC TANK REPAIR MAN

Problems with cesspools and septic tanks are something every homeowner dreads. Besides being a dirty job, repairs can be very expensive. A local cesspool serviceman should be called for periodic inspections of your pumps and tanks. He will do a thorough cleaning job and check for potential damages. He can also advise you of ways to keep your tanks and pumps in good working order.

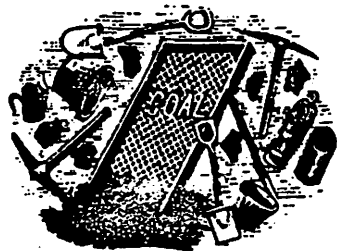


LUMBER AND MILLWORK SUPPLIER

Lumber is a vital material in any home. Not only is lumber an important structural material, but it also has many other numerous uses around the house. Wood paneling is a popular use of lumber today. Lumber can also be used for making shelves, cabinets, storage trunks, and many other useful items which will beautify your home. Your local lumber company can supply all your lumber needs and give you helpful pointers to make your job easier.

MOVING AND STORAGE

Each year millions of Americans change their residence from one community to another. Whether your new home is 10 or 1000 miles away, it makes good sense to use the services of a professional moving and storage company. Professional movers will save you time and aggravation. Anyone who has moved without the help of a mover can testify that it is a physically exhausting job. Professional movers know how to lift and transport furniture safely. In addition, when you move with a professional, your possessions are insured against breakage or loss. Why take chances with your belongings? Use the services of a professional mover. Sometimes it is necessary to keep your possessions in storage between moves. Your moving and storage company has storage facilities where your belongings can be stored conveniently and at a reasonable rate until the time you request them to be delivered. In addition, a moving and storage man can offer advice such as the best ways to pack dishes and other fragile items. If desired, a moving man will do your packing for you. Whenever you move, rely on the services of a professional moving and storage company.



FUEL OIL CONTRACTOR

Keeping your oil burner in good condition is important. Dirty oil burners waste fuel by not operating efficiently and eventually can cause a breakdown. Besides having your burner cleaned periodically, you should keep your oil tank filled at all times. This will prevent dirt from settling in your oil tank. Your local fuel oil contractor can supply all of your fuel needs, as well as perform the maintenance services necessary to keep your oil burner operating properly. He will clean the oil tank thoroughly and correct any damages he spots before they require costly repairs. Always rely on the expert - your fuel oil contractor - to provide your oil and take professional care of your oil burner.



LANDSCAPING

Landscaping is a great way to enhance the beauty of your home. Your local landscaper has the ability to care for and arrange plants, shrubs, and flowers in distinctive patterns. Your Local landscaper can also look after your lawn and trees. Rely on a professional landscaper to maintain your property at its best advantage.

AIR CONDITIONING SERVICE MAN

Whether you have several individual units or central air conditioning, it is important that this equipment be kept in good working order. Air conditioner filters should be changed at least once a year. This will improve air conditioner efficiency and effectiveness. Your local air conditioning service man not only can repair any problems which you might experience, but can change your air filters also. Periodic maintenance by your serviceman will assure you that your air conditioners will work properly when they are needed.

SCREEN AND STORM WINDOW CONTRACTOR

Screens serve the purpose of filtering out dirt and other objects from the outside air. With screens, you can leave windows open without worrying about bugs or other pests entering. Storm windows not only will seal out drafts and cracks, but will help you save money on your fuel bills as well. Proper insulation can cut heat costs in half. Your screen and storm window contractor has a complete selection of screens and storm windows. He will see that you choose the correct sizes for your windows and that they are installed properly.



PAVING CONTRACTOR

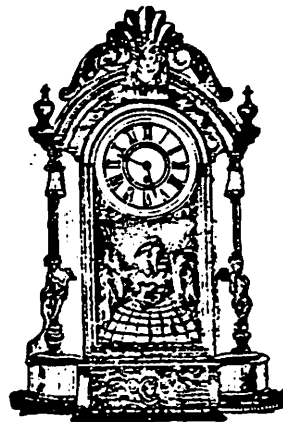
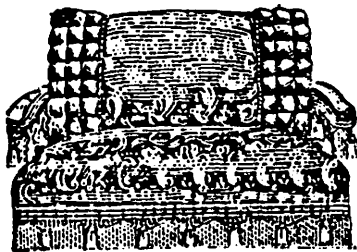
Whether he's needed to pave your driveway or sidewalk or perform other concrete work, your local paving contractor is the man to call. Your paving contractor can repair cracks and holes quickly before the damage spreads. Your local paving contractor is also the man to call when installing or repairing your patio. Have your paving contractor check all your concrete work once each year.

RUBBISH REMOVAL

Your local carting company should be used to remove all of your rubbish and debris. Your carting company will dispose your garbage dependably and at reasonable, affordable rates. Have your trash removed in a sanitary and efficient manner-rely on your local carting service.



DECORATING THE INTERIOR OF YOUR HOME



As you spend a great deal of time in the interior of your home, it is important to make this area as comfortable as possible and suitable to your own personal taste. The interior of your home represents your own individuality, style, and personality. Decorating the interior of your home should be planned carefully. A **PROFESSIONAL INTERIOR DECORATOR** can help you select furnishings which reflect the image you wish to project and fit your budget as well. The services of a local decorator are not as expensive as you might think since he receives commissions from the places where he buys.

Regardless of what style you prefer, following these basic guidelines will aid you in obtaining a successful and satisfying arrangement of your furniture.

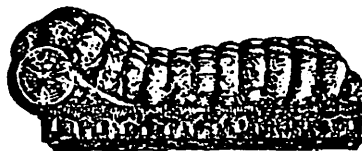
(1) Avoid crowding your rooms with too many pieces of furniture. Spread your furniture out so that there remains plenty of open space. Don't clutter your walls with too many pictures. Arrange your rooms symmetrically so that your furniture forms a pattern pleasing to the eye.

(2) Proper lighting is vital to the appearance of any room. In most cases overhead lighting is recommended for the dining area. The type of fixture you select depends on the type of mood you wish to convey. A crystal candelabra works well in a large-sized formal dining room, while a much simpler fixture is apropos for a family styled dining area. Tiffany lights are very attractive and create a colorful nostalgic mood. Several decorative lamps should be placed around the living room. Arc-type pole lamps create a modernistic mood as do other metallic lighting fixtures. The size of the lamps you select should be compatible with the size and shape of the piece of furniture upon which it will rest.

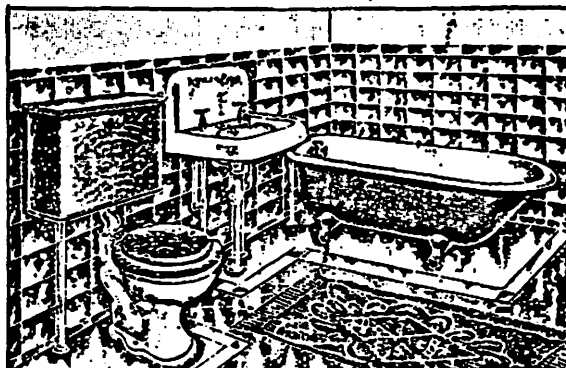
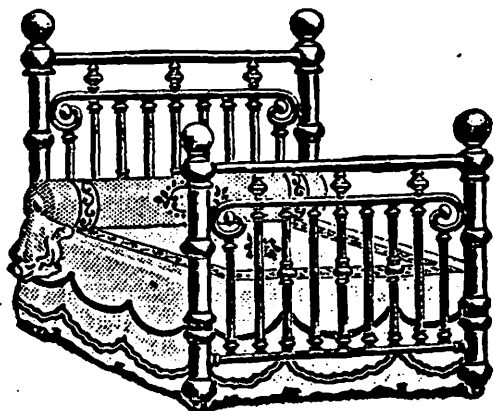
(3) Arrange your living room furniture so as to provide one or more pleasant conversation areas. Have several chairs facing one another with a sofa in between creating a triangle or square effect. Sectional couches placed in an "L-shaped" position are also effective in producing an arrangement conducive to easy conversation.

(4) Be sensible about the fabrics you select for your furniture. A wash-n-wear material would be advisable if there are young children in the family. Chemically treated fabrics are also available which are stain resistant.

(6) Select accessories which will compliment the furniture you already own. Avoid clashing colors. Choose pieces whose size and shape will not detract from the basic appearance of the room. Try to balance your rooms by placing large units parallel with the wall or nearby a smaller, dark-colored piece.



Take plenty of time in decorating your home. Your home represents a sizeable investment, and the way you decorate it is important to your enjoyment and satisfaction. Seek assistance from furniture salesmen as you shop around. They much prefer a happy customer to a disgruntled one and will be glad to help you. An interior decorator can help you sort out your ideas and plan ways to decorate which will fit your budget and be pleasing to you and your family.



BANKING SERVICES:

Ways to help you and your family manage your money better.



Most of us use the services of local commercial and savings banks frequently in our everyday life. Banks provide a secure and convenient way to deposit money for savings or checking purposes. The paragraphs below describe some of the differences between commercial and savings banks and explain the major services offered by both types of financial institutions.

SAVINGS BANKS

The primary function of savings banks is to accept savings deposits. There are three general types of savings accounts which are available through a savings bank. Each type earns interest which helps your account grow:

Day of Grace Accounts - deposits made on or before the tenth calendar day of each month are entitled to dividends from the first day of that month. Deposits made after the 10th receive dividends from the actual day of deposit. The grace days on withdrawals are the last three business days of each quarter when withdrawals can be made without loss of dividends. Dividends are compounded daily and credited quarterly.

Day to Day Accounts - Also known as Day of Deposit - Day of Withdrawal Accounts. Dividends are computed from the day you deposit to the day you withdraw, and are compounded and credited quarterly. A small minimum balance must be maintained to the end of the dividend period, and there are no grace days.

Term Savings Accounts - accounts whose interest rate is guaranteed for the term of the deposit. Term savings accounts offer a higher interest yield than Day of Grace or Day to Day accounts when savings remain on deposit until the term of the account expires. No grace days are allowed, and withdrawals made prior to maturity may be made only with the consent of the bank subject to Federally stipulated interest penalties.

Other major services available through savings banks include:

Mortgage Loans - Savings Banks make a large number of mortgage loans each year. Homeowners seeking financing should consult their local savings bank.

Home Improvement Loans - loans available for repairs or expansion of your home. Included are loans for furniture and major appliances. Convenient payment plans can be arranged.

Educational Loans - available to college students engaged in studies leading to a degree. Loans may be repaid after graduation. Other loans are available to parents or relatives of students for payment of tuition, clothes, travel, and other college, secondary or elementary school expenses.

Life Insurance - Available through savings banks at a low cost. A variety of plans are available. Life insurance specialists are present in your savings bank to help you select the plan most ideally suited to your own needs.

COMMERCIAL BANKS

Although Commercial Banks primarily serve the business community, most of us are familiar with the services offered there. These services include:

Checking Accounts - Checking accounts provide a convenient and safe way to pay for bills and other expenditures. A statement at the end of each month provides a complete account of deposits made and checks drawn. Record keeping is, therefore, simplified for you. Save your cancelled checks as they may be used as proof of purchase, in effect, receipts.

Personal Loans - loans to individuals are available for just about any reasonable need. To qualify, one should have a good credit rating and a steady job. Some of the more common types of personal loans available include those for payment of: taxes, medical expenses, insurance, education, travel, and investments.

Savings and Commercial Banks offer many of the same types of services. Among the services available through either type of financial institution are:

Travelers Checks - available in different denominations. They may be used in lieu of cash while travelling and are universally accepted.

Money Orders - accepted as cash. Money orders can be used for paying bills or other expenses instead of cash.

Christmas and Chanukah Club Accounts - enables you to set aside funds to be used later for holiday gifts. Holiday clubs make saving easier and help assure that you will have money for holiday shopping.

Safety Deposit Boxes - provide a safe place to store your valuables at a nominal annual fee. The boxes are kept inside the bank's vault, thereby giving you protection against fire, theft, or loss.

Sale and redemption of United States Savings Bonds. Savings bonds are safe, solid investments backed by the U.S. Government.

Direct Deposit of Social Security Checks - Social Security recipients may now have their monthly checks automatically deposited in their accounts. This safe and convenient procedure protects recipients from being robbed and assures them that their money will be deposited if they are unable to get to the bank.

PLANNING YOUR ESTATE

Vital reasons for you to draw a will

In your family financial planning, don't forget about drawing a will expressing your instructions for disposing and managing your estate. Many people don't feel they have enough assets to warrant writing a will, but this is not valid. It is foolish not to prepare a will while you can. A will provides protection for your family because it specifies:

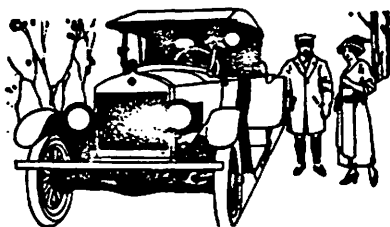
- (1) To whom your assets should be divided.
- (2) The amounts set aside for each family member.
- (3) When funds should be released (such as a trust for young children).
- (4) How your assets should be protected.
- (5) Who will manage your estate.

Without a will, the possibility of all sorts of problems can develop:

- (1) Court fights between family members and/or government.
- (2) Taxes on inheritance can't be protected.
- (3) Children may not be put into the custody of a guardian you wanted them placed with.
- (4) An unrelated, unknown executor might be named to manage your estate.
- (5) Who will manage your estate

See your attorney to have your will drawn. He will see that the will you leave meets all legal requirements and will carry out your instructions without legal obstacles.

The Net Worth Statement which follows provides a simple way of calculating the total value of your assets less any obligations (such as mortgages) you may owe. Your attorney, as well as the trust department of your local bank, can assist you with your estate planning.



NET WORTH STATEMENT

Assets

Cash: on hand	\$ _____
savings accounts	_____
checking accounts	_____
House, market value	_____
Other real estate, value	_____
Household furnishings, value	_____
Automobile(s), value	_____
Life insurance, cash value	_____
Stocks and bonds, today's value	_____
Money owed you	_____
Other assets	_____
TOTAL	\$ _____

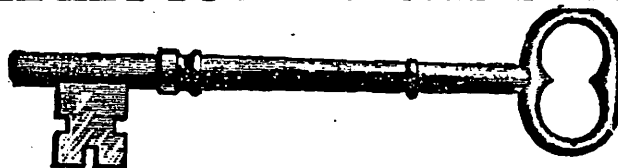
Obligations

Mortgages, balance due	\$ _____
Installment debts, balance due	_____
Credit cards, balance due	_____
Charge accounts, owed	_____
Other debts, total owed	_____
TOTAL	\$ _____

Net Worth

(assets minus obligations)	\$ _____
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INSURANCE: THE KEY TO FINANCIAL SECURITY



Insurance is the wise way to protect all of your assets and investments. There are 4 general categories of insurance: life insurance, health insurance, home insurance and automobile insurance. The paragraphs below briefly describe each of the 4 basic types of insurance.

LIFE INSURANCE

The two most common types of life insurance are straight life and term insurance. The one right for you depends on your objectives and needs:

- Straight Life** is insurance which builds up cash value. You may borrow against your cash value or allow it to accumulate and grow. Dividends paid on straight life policies may be used to purchase additional insurance. Another benefit of straight life insurance is that premium rates remain constant. The rates you pay (based on your age and physical condition) stay the same as the day of your purchase. Straight life is attractive to individuals who wish to use insurance as a savings plan and for those who wish to purchase insurance only once.

- Term Insurance** provides life protection for a specified period of time only. Unlike straight life, term insurance does not build cash value and hence lacks a savings or borrowing plan aspect. It is usually less costly than straight life, however, and can usually be renewed without a physical examination being required. Term insurance offers basic life protection at fixed rates for the term of the policy. People seeking as much insurance as possible without constraints at the time of purchase are attracted to term insurance.

Life insurance is available through life insurance agents or banks. Always shop around before making a commitment. Recent consumer surveys have shown that life insurance policies issued by some companies cost considerably more than others providing the same basic benefits. Before you purchase a life insurance policy, follow these basic steps:

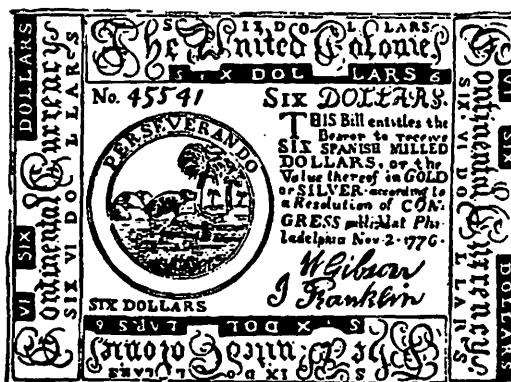
1. Compare the premiums - rates may vary substantially for the same kind of policy.
2. Compare the dividends - there may be a considerable difference between dividends paid.
3. Compare net payments (premiums less dividends) for a period of years.
4. Check the cash values - find out when early cash and loan values are available.
5. Compare like policies - don't compare a policy offered by one insurer against a different type of policy offered by another.
6. Ask questions - learn as much as you can about the type of insurance you are seeking. A life insurance agent is qualified to offer you sound advice and will help you select the type and amount of insurance appropriate for you.

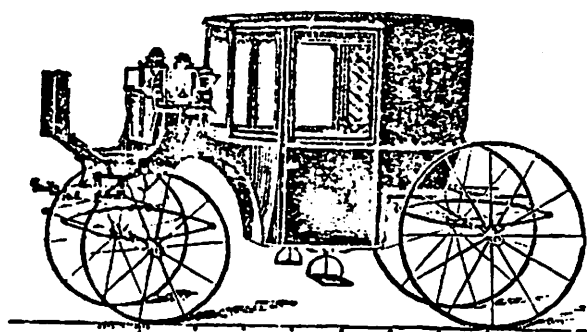
HOME INSURANCE

Your home probably represents the largest investment you will make in your lifetime. It is vital to protect both your home and family through the purchase of insurance. You can purchase individual policies protecting your home against fire and theft, adverse weather, burglary and theft, and personal liability in case of accidents, or you can choose to purchase a Homeowner's Policy, which offers all these features in a single package.

Homeowner's insurance covers all structures on your property—home, garage, greenhouse, and tool shed—which are not used for commercial purposes or leased to other parties. It covers the contents of your home including furniture and appliances, as well as personal belongings. In addition, if your home cannot be occupied as the result of damage caused by a covered peril, funds will be provided to cover increased living expenses. Some Homeowner's policies do not cover loss of valuables such as furs, jewelry, and cameras. Supplemental insurance should be considered for those who feel it is warranted.

Homeowner's insurance always provides liability coverage for the policyholder and family members who reside with him. It also has provisions for personal liability, medical payments to others, and supplementary coverage covering damage to other people's property. Personal liability protects you against lawsuits arising out of bodily injury or property damage suffered by others while on your premises. If you or a member of your household cause an accident elsewhere, such an occurrence is also covered. Medical payments cover medical expenses for injuries occurring on your property or caused elsewhere by the insured party, a member of his household, or a pet.





AUTOMOBILE INSURANCE

Automobile insurance is a must for all who own a motor vehicle. Many states have enacted or are considering passage of a no-fault insurance law. Such statutes provide that each party involved in an accident will be compensated for financial loss (hospital, medical expenses) by his own insurance company regardless of which driver was at fault. The basic automobile insurance policy provides the following types of coverage:

- **Bodily injury liability** - covers injuries to persons riding in other cars as well as passengers traveling in your car.
- **Property damage liability** - covers damage caused by your car to other properties, including other automobiles.
- **Medical Expenses** - covers expenses for medical services performed to the insured or members of his household suffered while driving, walking, or traveling in a motor vehicle.

- **Accidental Death Benefit** - pays in the event of death of the insured or a relative under the age of 21 resulting from bodily injury caused by accident or through being struck by a highway vehicle.

- **Protection Against Uninsured Motorists** - covers you and your family against bodily injury caused by or resulting from an accident with an uninsured motorist. Protection applies to other parties traveling in your car, as well as when you and your family are occupying another car.

Additional coverage can be obtained which offers further protection:

- **Comprehensive** - covers financial loss to an automobile caused by falling objects, theft or larceny, fire, earthquake, water, malicious mischief or vandalism, collision with a bird or animal and other such losses not deemed to be caused by collision.

- **Collision** - pays for financial loss caused by collision to your automobile in excess of the deductible amount you select in your policy.

HEALTH AND HOSPITAL INSURANCE

Anyone who has been seriously ill recently can verify that the cost of medical services has skyrocketed over the past several years. Health and hospital insurance helps to ease the financial burden imposed on you and your family by sickness or poor health. Most health plans provide two basic types of coverage. One benefit covers medical expenses incurred, such as for drugs, hospital visits, doctor's fees. The other provides funds to supplant the loss of income while you are disabled or unable to work. Health insurance usually provides the following types of coverage:

- **Hospitalization** - covers various hospital expenses which might arise including bed and board, laboratory tests, medications, and nursing care.

- **Surgical Benefits** - covers the entire or partial cost of an operation. Most health plans have established a fee structure for each type of operation.

- **Major Medical** - covers those hospital, surgical and other related medical expenses which are higher than an established deductible. This provides vital additional protection in case of major illnesses.

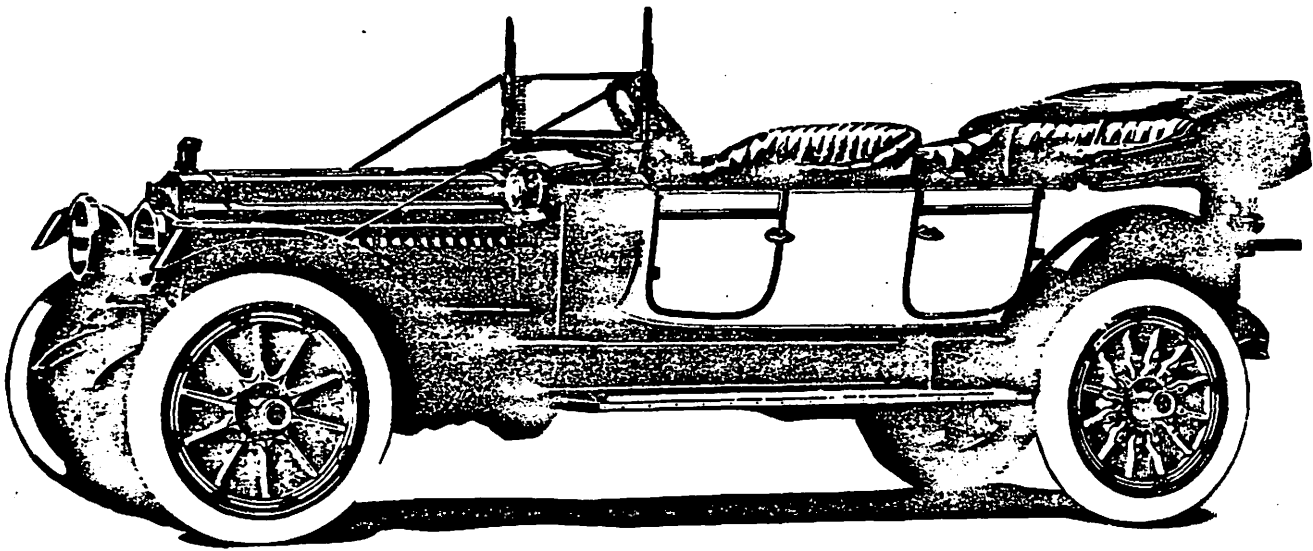
- **Medical Benefits** - covers the cost of doctors' services excluding those performed in surgery. Included are hospital visits, as well as home and office visits.

- **Loss of Income** - pays benefits to cover loss of income in cases of total disability.

Contact a Local Insurance Agent for all your insurance needs. He has been trained to help you make the right decisions when it comes to selecting insurance. He will be glad to offer you sound advice and assist you in planning for your family's financial security. Remember - the time to protect your family is before adversity strikes. For insurance sales and service, consult an experienced, reliable, insurance agent.



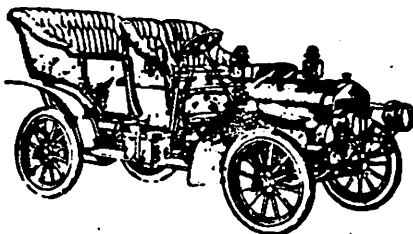
IDEAS TO KEEP IN MIND WHEN BUYING A CAR



Buying a car is always an exciting event. Americans use their cars to get to work, school, vacations, shopping, and other places they chose to travel. A car represents a large investment for any family. It is important, therefore, that you take care and time in selecting the right car to buy. The following section offers a number of tips to keep in mind when buying a car.

- **Don't use price as the sole basis of selecting a car.** There are a lot of other factors to be considered as well. Beware of dealers who quote a price more than several hundred dollars lower than other prices you have been quoted. They may not be including taxes or other options which the other dealers have included in their price.

- **Convenience should be an important consideration.**



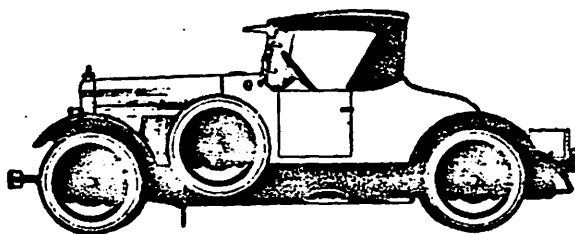
Local car dealers will go out of their way to make customers from their own community satisfied and give them the best possible deal. When you purchase your car from a local dealer you don't have to travel far for service, either. It is more convenient for you to have your car serviced when your dealer is closer to your home.

- **Check out your dealer's service facilities.** A new car is an expensive and complicated piece of machinery which requires regular maintenance and repairs. Be sure that the car dealer you select provides reasonable and reliable service for the cars he sells.

- **Be frank and tough with car salesmen.** Don't be swayed by smooth talk. Tell a salesman what you are looking for and how much you can afford to spend. Ask him any questions you might have especially about delivery, price, service and other factors important to you. A good car salesman will be glad to cooperate and help you select the right car for your budget and needs.

- **If trading in another car, be sure that your old car is clean inside and out.** A clean car can add hundreds of dollars to your trade-in price.

THE CARE AND MAINTENANCE OF YOUR AUTOMOBILE



To function properly, it is important to keep your car in good condition. By following the practical care and maintenance hints presented below, you know that your car will work when you need it, and you will cut down on expensive automobile repair bills.

TIRES

It is important to keep the proper amount of air in your tires. Have your local service station check the inflation of your tires frequently. Did you know that underinflated tires waste gasoline and wear out faster? The tire Safety Council estimates that one out of four cars has at least one seriously underinflated tire. As your tires get worn, it is important to replace them with new tires. Your local tire dealer can supply and install new tires for you. He stocks a large selection of tires and will be able to supply you with ones which fit your budget as well as your car. If you live in a cold part of the country, it is important to equip your car with snow tires in the winter. Snow tires will get your car through icy and snowy roads safely. See your local tire dealer for all your tire needs.

AIR CONDITIONING

Like most other systems on a car, people usually neglect their air conditioner until something goes wrong. If you take proper care of your car's air conditioner, it will take care of you. To keep your air conditioner operating at peak efficiency, follow these easy suggestions:

- **Operate your air conditioner all year round.** Regardless of the season, you should turn on your car's air conditioner for a minimum of 10 minutes a month. This is important because it will cause the refrigerant and refrigeration oil to be circulated throughout the system. By lubricating the various gaskets and seals, they will remain soft and pliable thereby preventing your refrigerant from leaking out. If you don't run the air conditioner for six months at a time, you are bound to have a leakage problem. When that happens, you must have your air conditioner recharged and that can cost you up to \$35. This can be avoided by running your air conditioner for just a few minutes each month.

- **Have your local service station check the air conditioner belt and the pulleys it runs on every few weeks during the summer.** A loose belt cuts down on efficiency. Also have your mechanic check to be sure the belt is not cracked or frayed. If the belt shows any signs of wear, it should be replaced. The pulleys should be tensioned properly and should not wobble or make noise while the engine is running. It may be difficult to remove or replace a pulley because of its location. Always have this done at your local service center.

- **Keep the condenser free of debris.** By spraying it with a hose, you can keep the condenser clean and unclog any dirt that might have been lodged there.

- **Have your mechanic check the sight glass.** This device tells whether your air conditioning system is full of refrigerant. If it isn't full, have your mechanic check for leaks and have the system recharged.

DO NOT ATTEMPT TO RECHARGE THE AIR CONDITIONER YOURSELF. Should the liquid refrigerant accidentally discharge it could cause serious damage to the eyes and skin. Always allow an experienced mechanic to recharge the system and perform periodic inspections.

BRAKES

It is important to keep your brakes in good working order. You should have them inspected frequently, at least once every 10,000 miles. Many cars now have a warning light on the instrument panel which lights up when your brakes are failing due to such problems as loss of pressure in the braking system. Should the brake failure light come on, slow down, pull off the road, and don't continue until the problem is checked. Rely on a shop specializing in brake repairs for all your brake work. These service-specialists always stock a full line of brake pads, bearings, and other parts vital to your brake system. A brake repairman will inspect your brakes, correct any problems he finds, and then road test your car to assure you that your brakes will function safely and properly.

TRANSMISSION

The transmission of your car is a very complex mechanism, and, as such, requires regular maintenance to operate efficiently. Your local transmission shop is the best place to have your transmission work done. They specialize in repairing, maintaining and inspecting transmissions. These specialists know how to install transmission parts properly and will road test your car to be sure everything is in good working order. For quality parts, service, and dependability, you know you can rely on your local transmission shop.

OIL CHANGE AND ENGINE TUNE-UP

You should have your engine tuned and oil changed at regular intervals. Follow the maintenance schedule recommended in your car manual. At your local service center, they will not only change your oil, but will also lubricate the chassis and change the oil filter. This will cut down wear on your engine and chassis. Your local service center is also the place to have your engine tuned. There, professional mechanics will see to it that the engine is idling properly and that any worn parts are replaced.

CAR WASH

We all know that a car wash will clean the exterior of your car, but did you know, that this helps more than just your car's appearance. Having your car washed on a regular basis removes chemicals and other particles which could lead to discoloration and wear. Regular washing will also protect your car against corrosion. Your local car wash is the place to have your car cleaned, waxed, and polished. Many car washes also will vacuum the interior of your car, removing dirt and keeping the floors clean. Going to your local car wash is an inexpensive way to keep your car looking its best.

RADIATOR REPAIR

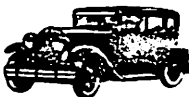
The cooling system of your car should be checked periodically. Your local radiator repair shop will inspect your water pump, heater, condensers, and gas tank to make sure everything is working properly. Your local radiator shop can clean, recore, or repair your radiator and will correct any problems with your car's cooling system.

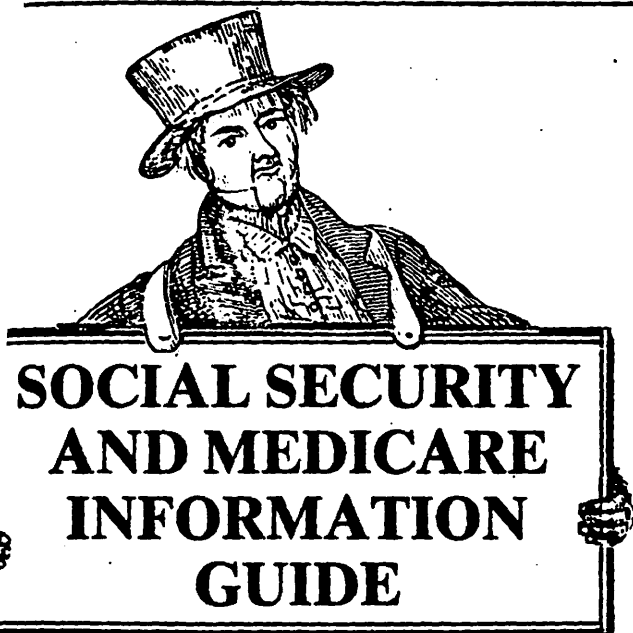
BODY WORK

Your local body shop is the place to bring your car to repair any body damage. Having your rust spots and dents removed will not only improve the appearance of your car, but will add to its value as well. Your local body shop knows how to fix dents and other body damage expertly and quickly.

Taking care of your car enhances its beauty, helps it run better and more efficiently, and costs you less money than if you wait for something serious to go wrong. Remember, the best way to avoid accidents caused by vehicular malfunctions is to keep your car in safe running condition. The Automobile Service Record Chart which follows is a great way to keep track of the services performed on your car and their costs. Fill it in each time you have your car serviced.

AUTOMOBILE INFORMATION & SERVICE RECORD

	MAKE:		LICENSE #:			INSURANCE CO.:		
	MODEL:		YEAR:		SERIAL #:			
	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
	MILEAGE	MILEAGE	MILEAGE	MILEAGE	MILEAGE	MILEAGE	MILEAGE	MILEAGE
OIL CHANGE								
CHANGE OIL FILTER								
LUBRICATE CHASSIS								
CLEAN & OIL AIR FILTER								
ENGINE TUNE-UP								
CHANGE TRANSMISSION FLUID								
FLUSH COOLING SYSTEM ADD ANTI-FREEZE								
ROTATE TIRES								
REPLACE TIRES								
MISC.								
MISC.								
MISC.								
	\$	\$	\$	\$	\$	\$	\$	\$



Basic facts you and your family should know about these important government programs.

SOCIAL SECURITY

Social Security is our country's way of providing continuing incomes to those whose family earnings have declined or stopped for any number of reasons such as retirement, disability or death. During working years, employees, their employers and self-employed people pay social security contributions into special trust funds. Monthly cash benefits are paid from these funds to replace part of the earnings the family has lost.

Social Security encompasses the following benefits:

(1) RETIREMENT BENEFITS

Once you have reached retirement age, 62, you may begin to collect payments. A widow or widower can receive reduced benefits at age 60. You cannot collect full benefits unless you wait until age 65 to apply.

(2) DISABILITY

A person is considered disabled if he cannot work because of a severe physical or mental condition that has lasted or is expected to last for at least 12 months. Payments can continue for as long as the disability prevents that person from working.

A Social Security card can be applied for at any Social Security office. The Social Security number you are issued is used for Federal income tax records, for keeping a record of your earnings, and as a form of identification by many organizations. Your Social Security number can be used for your entire lifetime.

You may check the accuracy of your earnings record in the Social Security Administration's files. At the end of

each year, your employer is required to give you a statement of the Social Security contributions he deducts from your pay. If any mistakes have been made on your file record it can be corrected as long as the checking is made within 39½ months after the year in which wages were paid or income was earned from self-employment.

To check your Social Security records, ask for postcard form OAR-7004 from your Social Security office. The filled out form should be mailed to the Social Security Administration, Baltimore, Maryland. They will send you a statement of earnings credited to your Social Security number. If you believe a mistake has been made, get in touch with your local Social Security office.

An important note regarding Social Security--

The benefits derived from Social Security may not be enough to live on when you and your family need them. It is wise for everyone, regardless of age to set up a program for greater financial security in the years ahead, whether it be through savings, life insurance or investment programs.

MEDICARE

Medicare is a two part health insurance program covering hospital and medical care. Everyone over the age of 65 entitled to monthly social security benefits automatically receives hospital insurance without paying monthly premiums. In addition, the following people under 65 are eligible for Medicare benefits:

- Disabled people who have qualified for Social Security disability benefits consecutively for 2 years or more.
- People insured under Social Security who require kidney dialysis treatments or need a kidney transplant because of permanent kidney failure.

People do not have to retire to receive hospital insurance coverage. As long as you have worked long enough under social security or railroad retirement, you may continue working after you reach 65 and still receive this protection.

Those people 65 or older not automatically entitled to hospital insurance may buy this protection, if they so desire. To buy hospital insurance one must enroll and pay the monthly premium for medical insurance.

To determine eligibility for Medicare you should check with your social security office 3 months before you reach 65. If you are already receiving monthly Social Security checks, you will be contacted by mail a few months before your 65th birthday. If you are disabled and have been entitled to disability benefits for 2 consecutive years or more, you obtain hospital insurance automatically and will receive information in the mail.

Hospital insurance under Medicare helps to pay for the cost of various medical services and supplies not covered by hospital insurance, in addition to the cost of physicians' services. Those people who wish to receive medical insurance coverage do so by paying monthly premiums.





He is an important member of your community's Health-Care Team

The role of the pharmacist in health related matters continues to grow in today's complex world. Great advances in the field of medicine have been made and will continue to be made during our lifetime. With such discoveries come the development of modern drugs able to save lives and ease pain and suffering. These new drugs are very sophisticated and should be used carefully and only on the advice of your doctor. Your pharmacist's knowledge of drugs -- their uses, benefits, limitations, and side effects -- is constantly expanding so that he may serve you effectively and advise you about medicines your doctor has prescribed for you.

Today's pharmacist is required to complete thorough training before receiving his license. He must complete a college program of up to six years including specialized courses in subjects such as biochemistry, physiology, toxicology, and pharmacology. Upon graduation a pharmacist must further serve a period of internship and pass a rigorous written and oral examination administered by state pharmacy examiners before he can receive a license. Maintenance of such high standards assures you that your pharmacist is highly qualified to answer questions about prescription or non-prescription medicines. He can offer advice as well as give you additional information which your physician may not have provided.



When using medicines keep these simple rules in mind:

- (1) Be sure to tell your physician and pharmacist if you are allergic to any medicines or are taking anything in addition to what has been prescribed. This could cause one medicine to react with another resulting in a loss of drug potency or unpleasant side effects.

- (2) Read the label on all medicines carefully and follow the directions stated. Ask your pharmacist to explain how and when you should take your medicine.

- (3) Report any side effects caused by medication to your doctor immediately. The dosage prescribed may have to be adjusted or a different drug may have to be used. Should your doctor ask you to discontinue taking medication, see that such drugs are promptly thrown out or destroyed.

- (4) Never take drugs prescribed for another person. No two people are alike, and the same drug can produce different reactions in different people.

- (5) Store all medicines out of the reach of children. Countless tragedies are caused each year when children accidentally swallow another person's medicine. Ask your pharmacist to use safety caps on top of all drugs prepared for your use.

Your pharmacist is always glad to be of service to you and your community. Seek his advice whenever you have questions or doubts about medicines or your health.





7 WAYS TO REDUCE THE RISK OF HEART ATTACK

Heart disease is the leading cause of death in the United States. Each year almost 1,000,000 Americans suffer a heart attack and more than 650,000 persons die from them. While there is no guaranteed way of preventing a heart attack, doctors and scientists have identified certain physical conditions which tend to increase the risk of heart attack such as cigarette smoking, high blood pressure, and high cholesterol level.

By following the precautions listed below you can reduce the odds of having a heart attack, and at the same time improve your general health and physical fitness:

(1) **Watch your weight** - Overweight people run a much greater risk of heart attack than other individuals. If you are overweight, try to reduce. Your doctor can prescribe a safe and effective diet which will allow you to lose weight gradually. Avoid overindulgence of sweets and other fattening foods. Eat in moderation and be aware of the number of calories in the foods that you eat.

(2) **Exercise regularly** - Keeping the body in good physical condition will reduce the risk of heart attack and other diseases as well. If you haven't exercised in a while, begin slowly with simple activities which will not overly stress the body. Your doctor can recommend exercises that are suited for your age and physical condition.

(3) **Cut down on saturated fat and cholesterol in your diet.** A proper diet is an important factor in preventing or delaying the onset of coronary disease.

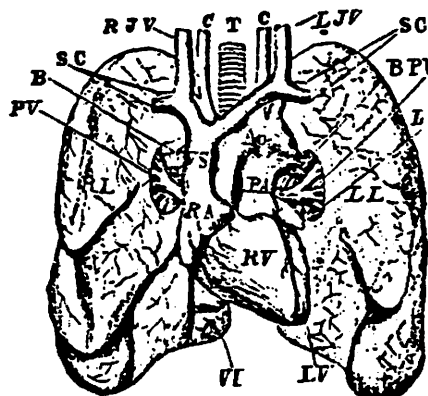
Your dietary goal should be to achieve a better balance between the intake of saturated and polyunsaturated fats. By doing so you will decrease cholesterol levels in the blood. Feeding your family a low-saturated fat diet need not mean drastic changes in eating habits. Eat greater amounts of fish, poultry, fruits, nuts, lean meats, and vegetables. In cooking substitute polyunsaturated vegetable oils and margarine for saturated fats. Reduce your consumption of foods high in cholesterol and/or saturated fat such as butter, fatty meats, whole milk, eggs, cheese, shellfish and creamed foods.

(4) **Try to avoid undue stress**—long periods of stress seem to increase the risk of heart attack. Learn how to relax and take life easier. Controlling worry and tension can be important in prolonging your life.

(5) **Stop smoking**—Cigarette smoking has been linked to coronary heart disease and other serious diseases such as lung cancer. Studies have shown that for heavy cigarette smokers the risk of developing heart disease is 300 percent greater than for non-smokers and pipe or cigar smokers.

(6) **Have your blood pressure checked regularly.** High blood pressure increases the risk of heart disease sharply. Because you may not feel symptoms of high blood pressure it is recommended that you have your blood pressure checked at least once a year.

(7) **Have regular medical check-ups** — A physical examination can detect and treat conditions which may lead to a heart attack. Arrange to see your doctor at least once a year.



While following the suggestions presented can reduce the risks of heart attack, you should be able to recognize the warning signals of heart attack and know what to do if you or someone else suffers a heart attack. A common signal of a heart attack is strong and prolonged pain in the center of the chest that does not go away when sitting down or resting. Often the heart attack victim can not distinguish this pain from acute indigestion. If chest pains continue and spread to the neck, jaw, shoulder, arm or stomach area medical attention should be sought immediately. Further symptoms of heart attack include shortness of breath, heavy sweating, and vomiting.

Should you or someone else suffer a heart attack, it is important not to panic while awaiting help. The heart attack victim should be kept calm and inactive until admitted to the hospital. Help should be sought without delay. In many communities special coronary ambulance units have been established to respond specifically to a heart attack victim's needs. Always keep the telephone number of your town's emergency squad in a handy place.

The seven methods of reducing the risks of a heart attack are easy to remember and apply. Following these suggestions can not only reduce the risk of heart attack, but also promote good health.



VITAMIN AND MINERAL FACTS

Most of us know that vitamins are complex substances found in various foods which are essential to maintaining good health. Few of us, however, know what role vitamins and minerals play in our body. The VITAMIN and MINERAL INFORMATION CHART on this page lists major vitamins and minerals and explains the function each performs in the body. The vitamin or mineral amount recommended is for adults and children 4 years old and over based on the recommended daily allowance (U.S.R.D.A.) established by the United States Food and Drug Administration.

Vitamin or Mineral	Amount Recommended	Functions
Vitamin A	5000 I.U.	Helps form and maintain the function of eyes, skin, hair, teeth, gums as well as some glands and mucous membranes. Deficiency of this results in imperfect vision in the dark.
Vitamin B1 (Thiamine)	1.5 mg.	Promotes proper metabolism of sugars thereby assisting in the production of energy for the body.
Vitamin B2 (Riboflavin)	1.7 mg.	Aids in releasing energy to your cells through the body's use of carbohydrates, proteins, and fats.
Vitamin B6 (Pyridoxine)	2.0 mg.	Helps in the formation of red blood cells and functioning of the nervous system including brain cells. Also involved in protein metabolism.
Vitamin B12 (Cobalamin)	6.0 mcg.	Helps build nucleic acids. Essential for normal function of cells throughout the body.
Vitamin C (Ascorbic Acid)	60 mg.	Helps form collagen, a protein which helps support tendon, bone and skin. Keeps blood vessels, teeth and bones healthy.

Vitamin or Mineral	Amount Recommended	Functions
Vitamin D (including D2 and D3)	400 I.U.	Found in milk and other dairy products. Vital for strong teeth and bones. Helps the body use phosphorous and calcium correctly.
Vitamin E (Tocopherol)	60 mg.	Aids in the formation of red blood cells. Helps protect against abnormal breakdown of fats in body tissues.
Calcium	1.0 grams	Needed for strong teeth and bones. Aids activity nerve and muscle cells. Helps blood clotting.
Copper	2.0 mg.	Needed for red blood cells Present in major organs such as liver, heart, brain, kidneys.
Iodine	150 mcg.	Forms essential part of hormones produced by the thyroid gland which regulates cell metabolism.
Iron	18 mg.	Important part of hemoglobin and certain enzymes. Helps enable red blood cells to carry oxygen through the body.
Magnesium	400 mg.	Essential part of all tissues and bones. Helps to bring about many important enzyme reactions in your body.
Phosphorous	1.0 grams	Vital for building and maintaining strong teeth and bones. Assists in muscle contraction and nerve function.
Zinc	15 mg.	Part of several important hormones such as insulin. Appears to be vital for normal skeletal growth and tissue repair.



MAINTAINING A PROPER DIET

The importance of providing a proper diet for you and your family can not be underestimated. The foods you eat can affect the way you look and feel. Each of your three meals a day can contribute to your physical fitness and help you enjoy the fullest measure of health.

For reasons of health, as well as appearance, the person whose body weight exceeds the normal by 20 per cent or more should endeavor to reduce. With so many types of reducing diets publicized in this country, it is best that you check with your physician before embarking on a diet. He can recommend the proper diet suitable for your individual needs and physical conditions.

A calorie is a unit of heat measurement. The caloric content of a food is an estimate of the amount of body heat or energy which that food may produce. Ideally, you should eat enough calories to supply your energy needs, with enough surplus to take care of emergencies. Use the CALORIE DICTIONARY which follows to help you keep in mind the caloric content of the foods you serve.

CALORIE DICTIONARY

Food*	Calories	Food*	Calories	Food*	Calories
Apple, raw, 1 medium	80	Custard, ½ cup	130	Peas, green, cooked, ½ cup	65
Applesauce, unsweetened, ½ cup	50	Dates, dried, 1	20	Pecan, 1	20
Apricot, raw, 1	20	Doughnut, commercial, 1	200	Pepper, green, raw, 1 medium	20
canned, ½ cup	90	Duck, roasted, 4 ounces	350	Pickle, dill, 1 medium	10
dried, uncooked, 6 halves	60	Egg, hen, 1	75	sweet, 1 small	10
Asparagus, cooked, 6 stalks	20	Eggplant, cooked, ½ cup	30	Pie, 1 piece average	300-500
Avocado, ½ medium	250	Figs, dried, 1 large	55	Pimiento, canned, 1 medium	10
Bacon, broiled, crisp, 1 strip	45	Flounder, cooked, 4 ounces	75	Pineapple, raw, ½ cup diced	35
Banana, 1 medium	100	Frankfurter, 1	125	canned, 1 slice	50
Beans, lima, green, cooked, ½ cup	75	Gin, 1½ ounces	105	juice, canned, 8 ounces	160
navy, baked, ½ cup	150	Ginger ale, 8 ounces	85	Plum, raw, 1	20
snap or wax, cooked, ½ cup	20	Goose, roasted, 4 ounces	370	canned, 3	105
Beef, lean, broiled or roasted, 4 ounces	200-260	Grapefruit, raw, ½ medium	75	Pork, lean, roasted, 4 ounces	260
Beer, average, 8 ounces	115	juice, canned, unsweetened, 8 ounces	95	Potatoes, white, baked or boiled, 1 medium	130
Beets, cooked, ½ cup	35	Grapes, 20 to 25	50	chips, 1 large	10
Beet greens, cooked, ½ cup	25	juice, Concord, 8 ounces	170	sweet, baked, 1 medium	185
Blackberries, raw, ½ cup	40	Halibut, cooked, 4 ounces	130	Pretzel, 1 small	10
Blueberries, raw, ½ cup	40	Ham, lean, baked or boiled, 4 ounces	260	Prunes, dried, 4 large	100
Bologna, 1 thin slice	65	Honey, strained, 1 tablespoon	100	Radishes, raw, 6 medium	10
Bread, average, 1 slice	65	Honeydew melon, ½ medium	35	Raspberries, raw, ½ cup	45
Broccoli, cooked, ½ cup	20	Ice cream, commercial, vanilla, ½ cup	200	Rhubarb, sweetened, ½ cup	190
Brussels sprouts, cooked, 6	35	Jam or jelly, commercial, 1 table- spoon	55	Rice, cooked, ½ cup	80
Butter, 1 tablespoon	100	Kale, cooked, ½ cup	30	Rum, 1½ ounces	105
Buttermilk, skim, 8 ounces	85	Ketchup, 1 tablespoon	15	Salad dressing, French, 1 teaspoon	25
Cabbage, raw, shredded, ½ cup	10	Lamb, lean, broiled or roasted, 4 ounces	230	mayonnaise, 1 teaspoon	35
Cake, 2-layer, iced, 1 piece	400	Lemon or lime juice, 1 tablespoon	5	Salmon, canned, 4 ounces	150
Candy, bar, 2-ounce, 1	270	Lettuce, 2 large leaves	5	Sardines, canned, 4	75
chocolate cream, average, 1	50	Liver, any kind, broiled, 4 ounces	160	Sauerkraut, ½ cup	20
Cantaloupe, ½ medium	35	Macaroni or spaghetti, cooked, plain, ½ cup	100	Sausage, cooked, 1 link	95
Carrots, raw, 1 small	20	Manhattan cocktail, 1 average	165	Shrimps, boiled, 10 small	40
cooked, ½ cup	25	Margarine, 1 tablespoon	100	Spinach, cooked, ½ cup	20
Cauliflower, raw or cooked, ½ small head	25	Martini cocktail, 1 average	145	Squash, summer, cooked, ½ cup	20
Celery, raw, 1 stalk	5	Milk, whole, 8 ounces	170	winter, cooked, ½ cup	40
Cheese, American Cheddar, 1 ounce (1 sandwich slice)	115	chocolate malted, 8 ounces	370	Strawberries, raw, ½ cup	25
cottage, skin milk, ½ cup	105	evaporated, 1 tablespoon	20	Sugar, 1 tablespoon	50
Cherries, raw, sweet, 10	40	skim, 8 ounces	90	Tangerine, raw, 1 medium	40
canned, sweet, ½ cup	100	Mushrooms, raw, 10 small	15	Tomatoes, raw, 1 small	25
Chicken, broiler, 4 ounces	150	Oatmeal, cooked, ½ cup	75	cooked or canned, ½ cup	25
roasted, average, 4 ounces	225	Oil, olive, 1 tablespoon	125	juice, canned, 8 ounces	50
Cider, sweet, 8 ounces	130	Olives, green or ripe, 3	25	Tuna fish, canned, ½ cup	155
Clams, hard-shell, steamed, 6	65	Onions, green, raw, 1	5	Turkey, roasted, 4 ounces	220
Cocoa, made with milk, 1 serving; cup	175	white, raw, 1 medium	25	Turnips, white, cooked, ½ cup	25
Coladrink, 8 ounces	105	Orange, raw, 1 medium	80	Turnip greens, cooked, ½ cup	25
Cookie, oatmeal, plain, 1	100	juice, fresh, 8 ounces	110	Veal, lean, roasted, 4 ounces	175
Corn, canned, ½ cup	70	Oysters, raw, 6 medium	100	Waffle, 1, 6-inch diameter	250
Corn flakes, ½ cup	40	Parsley, raw, 10 sprigs	5	Walnut, 1	25
Cracker, saltine, 1	15	Peach, raw, 1 medium	50	Water cress, 10 sprigs	5
Cranberry sauce, sweetened, ½ cup	100	canned, 2 halves	75	Watermelon, ½ cup diced	35
Cream, light, 1 tablespoon	30	Peanut, 1	5	Whiskey, rye, 1½ ounces	120
Cucumber, raw, 1 medium	15	Pear, raw, 1 medium	70	Bourbon, 1½ ounces	120
		canned, 2 halves	75	Scotch, 1½ ounces	105
				Wine, domestic, 3½ ounces	75
				Yeast, dried brewers', 1 table- spoon	25

* All meats and fish lean; all canned fruits in light syrup

IMMUNIZATION CHART

Medical science has made great advances in our lifetime. Immunization is available against catastrophic diseases such as smallpox, measles, and polio. It is important to take your children for regular medical check-ups and have them immunized early in life against serious illnesses. The CHILDREN'S IMMUNIZATION SCHEDULE provided on this page will help you remember to have your children immunized at the proper time and help you maintain accurate records which may be required by schools, summer camps or a new physician.

Basic Immunization Schedule for Infants and Children

DISEASE	AGE	NO. OF SHOTS	INTERVAL	TIME FOR BOOSTER	CHILD'S NAME	DATE GIVEN
DIPHTHERIA, TETANUS AND PERTUSSIS	2 mos. thru 6 yrs.	1) Three 2) One	1) 4-6 wks. 2) 1 year	At age four years, or prior to school admission.		
TETANUS DIPHTHERIA	Over 6 yrs.	1) Two 2) One	1) 4-6 wks. 2) 1 year	Every 10 years for life.		
POLIOMYELITIS	2 mos. thru 18 yrs.	1) 2 oral 2) 1 oral	1) 6-8 wks. 2) 1 year later	On entering school; otherwise not routinely recommended.		
MEASLES (Rubeola)	All children, 15 mos. or older who haven't had measles.	One	Duration of immunity has not been established. Protection may be afforded if vaccine is given within two days of exposure.			
RUBELLA	15 mos. thru puberty	One	Duration of immunity has not been established.			
MUMPS	Susceptibles 15 mos. and over	One	Duration of immunity has not been established.			



JOIN THE BATTLE FOR CLEANER AIR

Ways you and your family can help reduce this serious environmental problem

Air pollution is a problem which should concern all of us. Did you know that the air you and most other Americans breathe everyday is polluted-dirtied by automobiles, manufacturing companies, power plants, garbage disposals, and even heating systems? Air pollution has been linked as a contributory cause to many chronic and physical ailments such as emphysema, chronic bronchitis, lung cancer and heart disease. Air pollution can cause headaches, sore throats, coughing, dizziness and asthma. Studies have concluded that illness and death related to respiratory diseases could be reduced by 25% if big cities were able to cut air pollution in half.

Clearly, we all have a stake in the fight for cleaner air. There are many ways you can reduce air pollution in your community:

- (1) The leading source of air pollution in this country is automobiles. Cars create more than half of all air pollution in the United States. You can reduce automobile pollution by following these simple rules:

- Don't use your car unless you have to. Walk or rely on public transit whenever you can. Form car pools for going to work or shopping. Ride a bicycle.
- Don't leave the motor of your car running when you park. Shut off the engine even if you will be gone for only a few minutes.
- Use the type of gasoline recommended for your car. Since 1975 all new cars have been designed to operate on unleaded gasoline. Cars manufactured earlier than 1975 should be filled with gasoline having the lowest lead content and lowest octane level recommended by your car dealer.

- Tune-up your engine regularly. This will keep your car in peak condition and assure you that your engine keeps operating efficiently. At the same time, have your mechanic check the pollution controls on your car to be sure they are functioning properly.

- Work for improved public transit in your community and push for the development of automobiles which will not pollute the air.

- (2) Garbage and waste is another controllable source of air pollution. You can help reduce pollution from garbage by following these suggestions:

- Don't burn trash or leaves. Put your trash in sealed garbage bags or covered garbage cans.

- Reuse and recycle whatever materials you can. Buy beverages in returnable bottles or aluminum cans which can be recycled.

- See that apartment house incinerators function cleanly and efficiently. Complain if you see that pollution is being caused by incinerators.

- (3) Heating systems can also generate air pollution. These ideas can help you reduce pollution from this source:

- Set the thermostat a little lower, to 68° or 69°. Not only can this reduce pollution, but it will conserve energy as well.

- Keep windows closed so that heat will not escape and your thermostat can be kept lower.

- Have your heater checked periodically to be sure it is functioning properly and efficiently.



Join the Battle for Cleaner Air

These are just a few simple ways you and your family can reduce air pollution in your community. Your individual efforts, however, are not enough to combat air pollution completely. Many industrial and manufacturing processes are responsible for polluting the air. Also, you should work with other concerned citizens and business leaders to achieve these goals:

- Propose, support and enforce laws requiring pollution controls.
- Investigate and try to utilize materials which create less pollution.
- Promote programs to educate more people about the dangers of air pollution and what can be done about it.

Get involved in fighting air pollution today. By working together, the battle for cleaner air can and will be won.



Today more than ever before, maintaining a family budget is a practical step in sound financial planning.

In the 1970's we have experienced an economic period characterized by rapidly rising prices and spiraling inflation. Planning and maintaining a family budget will help you get the most from your income and can avoid your falling into debt. A budget should allocate funds for savings as well as for your everyday needs.



It is a good idea to have every member of the family participate in budget planning. This will allow the whole family to become interested and involved in budgeting. Everyone's needs should be considered and allowed for in your budget. When children participate, they get a real opportunity to develop self-confidence and a sense of values.

Be sure that your budget sets aside funds for savings each month. A savings account is one of the best investments you can make. Set a reasonable savings goal each month and try to reach it or top it. The money you save can turn into a "nest egg" that can provide funds for the children's education, a down payment on a home, or unexpected emergency needs.

The charts on the following pages will help you keep track of your monthly expenditures. Some expenses such as taxes, mortgages, and insurance remain constant each month, while other expenditures such as recreation, utilities, and clothing fluctuate month-to-month. Try to set a realistic goal for each variable expense and see how close you come towards meeting the controls you have established. It will probably take several months for your budget to work effectively. Keep your budget flexible and stick with it. In the long run your budget will help you achieve your savings goals and become the cornerstone of your family's financial planning.



INCOME AND EXPENSES for Month of _____

19 ____

DATE	RENT OR MORTGAGE	UTILITIES (GAS, ELECTRICITY, TELEPHONE, WATER)	OPERATION & MAINTENANCE OF HOUSE	FOOD & BEVERAGES	ENTERTAINMENT	ALL TYPES OF INSURANCE	TAXES	CLOTHING	AUTO PAYMENTS & REPAIRS	TRANSPORTATION	EDUCATION	HEALTH DOCTOR & DRUGS	SAVINGS & INVESTMENTS	DONATIONS & CONTRIBUTIONS	MISCELLANEOUS
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 Balance (Plus or Minus) \$ _____

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How To Calculate Monthly Mortgage Payments

When looking for a home, price is often a critical consideration. Because few of us can afford to buy a house outright, the important factor boils down to how much the monthly mortgage payments will be.

Once you have determined what your down payment will be, it is relatively simple to figure out what your monthly mortgage payments will be. Your one monthly payment actually goes towards fulfilling both the principle and interest portion of your mortgage. For the first few years, however, most of your mortgage payments will be for interest. Be sure to remember that along with real estate taxes, the interest portions on your mortgage can be deducted on your tax return.

The amount your actual monthly mortgage payment will be is directly proportional to three factors;

- (1) How large a mortgage you obtain.
- (2) The rate of interest to be charged on that mortgage.
- (3) The time length of the mortgage.

Most mortgages today carry a 30 year term. The table below has been designed to show you what the monthly costs of a 30 year mortgage would be. As interest rates vary widely from one area to another, separate columns show you what your monthly mortgage payment would be at $\frac{1}{4}\%$ intervals from $7\frac{1}{2}\%$ to $9\frac{3}{4}\%$. All figures on the table have been rounded to even dollar amounts. See your local banker and real estate broker for information about mortgages in your area.

MONTHLY PRINCIPAL & INTEREST PAYMENTS (30 YEARS)

Mortgage Amount	7½%	7¾%	8%	8¼%	8½%	8¾%	9%	9¼%	9½%	9¾%
\$20,000	\$140	\$143	\$147	\$150	\$154	\$157	\$161	\$165	\$168	\$172
\$24,000	168	172	176	178	195	189	193	197	202	206
\$28,000	196	201	205	210	215	220	225	230	235	241
\$32,000	224	229	235	240	246	252	257	263	269	275
\$36,000	252	258	264	270	277	283	290	296	303	310
\$40,000	280	287	294	301	308	315	322	329	336	344
\$44,000	308	315	323	331	338	346	354	362	370	378
\$48,000	336	347	352	361	369	378	386	395	404	413
\$52,000	364	373	382	391	400	409	418	428	437	447
\$56,000	392	402	411	421	431	441	451	461	471	482
\$60,000	420	430	440	451	461	472	483	494	505	516
\$64,000	448	459	470	481	492	503	515	527	538	550
\$68,000	476	488	499	511	523	535	547	559	572	585
\$72,000	504	516	528	541	554	566	579	592	606	619
\$76,000	532	545	558	571	584	598	612	625	639	654
\$80,000	560	574	587	601	615	629	644	658	673	688
\$84,000	588	602	616	631	646	661	676	691	706	722
\$88,000	616	634	646	661	677	692	708	724	740	757
\$92,000	644	660	672	691	707	724	740	757	774	791
\$96,000	672	689	704	721	738	755	772	790	807	826
\$100,000	700	717	734	751	769	787	805	823	841	860

Note: All Figures Have Been Rounded to Nearest Dollar.



METRIC CONVERSION CHART

In the very near future the United States will officially convert to the METRIC SYSTEM of weights and measurements. The charts on this page will help acquaint you with the METRIC SYSTEM and make it easier for you to adjust to our nation's new method of measurement.

LINEAR MEASURE

1 inch	2.5400 centimeters
1 foot	.3048 meter
1 yard	.9144 meter
1 rod	5.0292 meters
1 mile	1.6093 kilometers
1 centimeter	.3937 inch
1 decimeter	.3937 inches
1 decimeter	.3281 foot
1 meter	39.3700 inches
1 meter	3.2808 feet
1 meter	1.0936 yards
1 kilometer	3280.83 feet
1 kilometer	1093.611 yards
1 kilometer	198.838 rods
1 kilometer	.62137 miles

SQUARE MEASURE

1 sq. inch	6.4516 sq. centimeters
1 sq. foot	.0929 sq. meter
1 sq. yard	.8361 sq. meter
1 sq. rod	25.2930 sq. meters
1 acre	4046.8730 sq. meters
1 acre	.404687 hectare
1 sq. mile	258.9998 hectares
1 sq. mile	2.590 kilometers
1 sq. centimeter	.1550 sq. inch
1 sq. decimeter	15.5000 sq. inches
1 sq. meter	1550.0000 sq. inches
1 sq. meter	10.7640 sq. feet
1 sq. meter	1.1960 sq. yards
1 hectare	2.4710 acres
1 hectare	395.3670 sq. rods
1 hectare	24.7104 sq. chains
1 sq. kilometer	247.1040 acres
1 sq. kilometer	.3861 sq. mile

The hectare is the unit of land measure

CAPACITY

1 minim	.0616 milliliters
1 fluid dram	3.6966 milliliters
1 fluid ounce	29.5730 milliliters
1 gill	118.2920 milliliters
1 liquid pint	.4732 liter
1 liquid quart	.9463 liter
1 gallon	3.7853 liters
1 milliliter	16.2311 minims
1 milliliter	.2705 fluid dram
1 milliliter	.0338 fluid ounce
1 liter	2.1134 liquid pints
1 liter	1.0567 liquid quarts
1 liter	.2642 gallon
1 dry quart	1.1012 liters
1 dry peck	.8810 dekaliter
1 bushel	.3523 hectoliter
1 liter	.9081 dry quart
1 dekaliter	1.1351 pecks
1 hectoliter	2.8378 bushels

The liter is used for both liquid and dry measure.

WEIGHT

1 grain	.0648 gram
1 ounce troy	31.103 grams
1 ounce troy	.3732 kilogram
1 ounce avoirdupois	28.350 grams
1 pound avoirdupois	.4536 kilogram
1 short ton	.9072 tonneau
1 long ton	1.0160 tonneau
1 gram	15.4324 grains
1 gram	.0322 ounce troy
1 gram	.0353 ounce avoirdupois
1 kilogram	2.6792 pounds troy
1 kilogram	2.2046 pounds avoirdupois
1 tonneau	1.1023 short tons
1 tonneau	.9842 long ton
1 tonneau	2204.6223 pounds avoirdupois

CUBIC MEASURE

1 cu. inch	16.3872 cu. centimeters
1 cu. foot	28.3170 cu. decimeters
1 cu. yard	.7645 cu. meter
1 cord	3.624 cu. meters
1 cu. centimeter	.0610 cu. inch
1 cu. decimeter	.0353 cu. foot
1 cu. meter	1.3079 cu. yards
1 cu. meter	.2759 cord

The cubic meter when used for measuring wood is called a ster.

MEASUREMENTS AND TABLES

MARINER'S MEASURE

6 feet	= 1 fathom
120 fathoms	= 1 cable length
7 1/3 cable lengths	= 1 mile
5,280 feet	= 1 statute mile
6,080 feet	= 1 nautical mile
3 marine miles	= 1 marine league

ENGLISH MONEY

2 Halfpenny	= 1 Penny (Pence)
100 Pence	= 1 Pound (£)
Existing Pound, Five Pound and Ten Pound notes are unaltered.	

TROY WEIGHT

24 grains (gr.)	= 1 pennyweight (pwt.)
20 pennyweight	= 1 ounce (oz.)
12 ounces	= 1 pound (lb.)

APOTHECARIES' WEIGHT

20 grains (gr.)	= 1 scruple
3 scruples	= 1 dram
8 drams	= 1 ounce
12 ounces	= 1 pound (lb.)

EMERGENCY PHONE NUMBERS

Police _____
Fire _____
Ambulance _____

Doctor _____
Dentist _____
Druggist _____

FIRST AID

The first thing to do when first aid is required is to call a doctor immediately if the injury or emergency is serious. If you are in doubt call a doctor anyway.

The purpose of first aid is to prevent injuries and emergency conditions from becoming serious.

First Aid is not intended to take the place of professional and medical treatment.

When an emergency occurs, act quickly, calmly, carefully and correctly. It is better to do nothing than to do the wrong thing.

ARTIFICIAL RESPIRATION

Artificial respiration should be administered when patient is not breathing or is breathing with difficulty in cases of choking, drowning, shock, gas poisoning.

1. Place victim on his back.
2. Check his mouth for foreign bodies, false teeth, etc.
3. Tilt head back to improve air passageway.
4. Hold nostrils shut while blowing into victim's mouth until chest begins to rise.
5. Release nostrils for exhaling, then repeat. In the case of an infant or small child, it may be necessary for the operator to place his mouth over both the victim's mouth and nose. The whole procedure should be repeated 12-15 times per minute and continued until normal breathing restored.

HAVE SOMEONE ELSE CALL THE DOCTOR

SHOCK

Make patient comfortable--leave treatment to doctor.

Any severe injury causes a degree of shock which, by itself, may sometimes be more serious than the injury itself. Symptoms of shock are: pale, cold, sweaty skin, faintness, rapidly beating but very weak pulse, shallow breathing. Unless there is severe bleeding, or the patient is unconscious, give a warming drink (coffee, tea), use smelling salts or aromatic spirits of ammonia. Have patient lie flat and cover him well. Warmth and comfort are the most important measures of treatment until the physician arrives. First-aid for injuries always should include anti-shock measures.

HEART ATTACK

Complete rest and comfort--coffee, tea--get doctor.

When you suspect heart attack, treat it as such! Do not alarm patient, but reassure him--it may not be a heart attack! Prominent signs are: pale face, white lips, breathing difficulty, intense pain in left chest, shoulder, arm, sometimes connected with "upset stomach" feeling,

extreme anxiety. Patient should be placed in a reclining position and be made comfortable. If patient is conscious, a cup of coffee or tea will comfort him. Give no medication but call doctor immediately. Do not transport the patient or make him walk!

INDIGESTION

Relax--to soothe stomach give Pepto-Bismol -- call doctor if severe. Most stomach upsets (indigestion, nausea, heartburn, "gas pains" and common diarrhea) are caused by irritation--acid, food or nervous irritation--of stomach walls. Pepto-Bismol Liquid or Chewable Tablets, provides soothing relief from these symptoms. Its protective coating action stops such irritation at contact--in the stomach as well as in the lower digestive tract. In this way, Pepto-Bismol also controls common diarrhea. Follow directions on the bottle. If symptoms persist, or if there is fever, a doctor should be called.

POISONING

Induce vomiting--call doctor--keep victim warm. Caution: do not induce vomiting if victim has swallowed a corrosive acid, lye, gasoline, turpentine, or kerosene (to avoid repeated exposure of esophagus and mouth to corrosive poison). In all other cases, provoke vomiting (finger in throat, give drink of 1 teaspoon mustard or 1 teaspoon salt in large glass of water) to get the poison out. Call the doctor (or police) immediately, keep victim warm and comfortable. Give antidotes only when sure of type of poison.

WHEN VICTIM IS UNCONSCIOUS: DO NOT TRY TO TREAT VICTIM, BUT SUMMON AID.

Remember to save the bottle or poison container for the doctor's investigation. Attempt, at the scene, to determine how much of the poison may have been consumed.

ANTIDOTES

Sleeping pills, narcotics: strong coffee, repeat every half-hour. Metallic poisons, arsenic, rat poison: egg white and milk. Iodine: creamy mixture of flour and water. Oily insecticides: large quantities of warm tap water. Any strong acids: any antacid (chalk, milk of magnesia, soap) with plenty of water for maximum dilution; then give egg white, milk or flour paste. No bicarbonate of soda! Caustic soda, lye: vinegar, lemon juice. (If poison bottle is nearby, look at the label. It may indicate the most effective antidote)

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ADDRESS AND TELEPHONE INDEX

[illegible][illegible]

ADDRESS AND TELEPHONE INDEX

[illegible]

ADDRESS AND TELEPHONE INDEX

[illegible]

ADDRESS AND TELEPHONE INDEX

[illegible]

ADDRESS AND TELEPHONE INDEX

[illegible][illegible]

ADDRESS AND TELEPHONE INDEX

[illegible]

TELEPHONE[illegible]



ZIP CODE DIRECTORY

Virginia

[illegible]

**ZIP CODE DIRECTORY**
Virginia[illegible]

BUSINESS CARD DIRECTORY

Office Phone
703: 943-1188



244 Rosser Avenue
Waynesboro, Va.
22980



943-2413

Ed's Auto Sales

1215 East Main Street
Waynesboro, Va.

942-1930
Perkins
Pancake House



42 Gourmet Pancake & Waffle
Plates plus a full Menu or Delicious
STEAK — FISH — CHICKEN
Platters Await Your Selection When You Dine

2120 W. Main, Waynesboro

942-WINE

Wines
Cheese
Gourmet Foods

THE PURPLE FOOT



1035 West Broad Street
Waynesboro, Va.

(703) 942-5857

943-9437 Mobile

Westhills Company

Route 250 West
Waynesboro, Va 22980

Statistics About Waynesboro, Virginia

ALTITUDE - 1,307 feet above sea level

AREA OF CITY SQUARE MILES - 7,467

CHURCHES - 49

CITY MANAGER TYPE OF GOVERNMENT

COMMERCIAL BANKS - 5

Total resources approximately \$1,200,000,000.

Deposits approximately \$75,000,000.

Three savings and loan associations.

COUNTRY CLUBS - 2

Swannanoa Country Club - 18 Hole Golf Course,
Semi Private

Waynesboro Country Club - 18 Hole Golf Course,
Private

DWELLINGS - Approximately 5,609

FEDERAL HIGHWAYS 2

U.S. 250 East and West

U.S. 340 North and South

GENERAL - Good recreational facilities,
prosperous business center, center of rich
farm land, unmatched water supply, excellent
climate.

HOSPITALS - 1 Community Hospital with 171 beds.

HOTELS - 1

JUDICIAL COURTS - 11 Tourist homes - 3

INDUSTRY - The thirty-two industries of Waynesboro
are remarkably diversified. They include:
acetate, airplane and electronic devices, brick,
corduroy, furniture, fruit, 'Lycra', 'Orlon',
metalcrafts, nurseries, pipe and electronic organs,
plastic materials, plastic and carbon filaments,
plywood, septic tanks, ship fittings and velveteen.
Employment of approximately 12,000 people.

INDUSTRIAL PAYROLL -

In excess of \$100,000,000.

Net effective buying income -

1977.....\$89,906,000

LOCATION - Eastern part of Augusta County in
the Shenandoah Valley, Southern entrance to
the Skyline Drive, Northern entrance to the
Blue Ridge Parkway.

MANUFACTURING ESTABLISHMENTS - 22

NEWSPAPER - 1

Name: News Virginian

Average Circulation(1977): 13,068

POPULATION - ESTIMATED

City of Waynesboro - 17,000

Trading Area - 125,000

PUBLIC LIBRARY - 68,300 Volumes
and over 1,785 records.

PUBLIC UTILITIES CONSUMERS -

Virginia Electric & Power Co.

1952.....5,821

1977.....6,323

Columbia Gas of Virginia, Inc.

1952.....3,287

1977.....6,362

Clifton Forge Telephone Co.

Telephone Stations in Service-

1954.....5,923

1977.....20,963

Water Meters -

1958.....4,200

1877.....7,000

RADIO STATIONS - 2

WAV 970 Kilohertz, 5000 Watts

WAYB 1490 Kilohertz, 1000 Watts

RAILWAY LINES - 2

Norfolk and Western

Chesapeake and Ohio

2 YEAR CALENDAR

1978

JANUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	FEBRUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	MARCH S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	APRIL S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
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HOME LIFE ALMANAC

RECOMMENDED

MERCHANTS & CONTRACTORS

RADIO STATION

WAYB Action Radio
Dial 1490
Waynesboro, Va.
942-1490

FUNERAL HOME

Etter Funeral Home
618 West Main Street
Waynesboro, Va.
942-8383

FUEL OIL

Driver Heating Oil Inc.
Rt. 2, Hwy. 340 South
Waynesboro, Va.
942-7111

BUILDER

Leo Cekada Co.
240 Arch Avenue
Waynesboro, Va.
942-7620

AUTO DEALER

Dodge City
212 West Main Street
Waynesboro, Va.
942-8345

BUILDING SUPPLIES

Teaverton Building Supply Company
Rt. 608 North Fishersville
¾ mile East of 250
943-3179

BUILDER

Westhills Co.
Rt. 250 West
Waynesboro, Va.
703-942-5857 Mobil Phone 943-9437

USED CAR DEALER

Ed's Auto Sales
1215 East Main Street
Waynesboro, Va.
943-2413

WINE & CHEESE

The Purple Foot
1035 West Broad Street
Waynesboro, Va.
942-WINE

SWIMMING POOLS

Leo Cekada Co.
240 Arch Avenue
Waynesboro, Va.
703-942-7620

BANK

Planters Bank & Trust Co.
251 North Poplar Avenue
Waynesboro, Va.
942-7145

REALTOR

Ed & Helen Kent Realtors
244 Rosser Avenue
Waynesboro, Va.
942-9255

ED'S AUTO SALES

1215 East Main St. Waynesboro

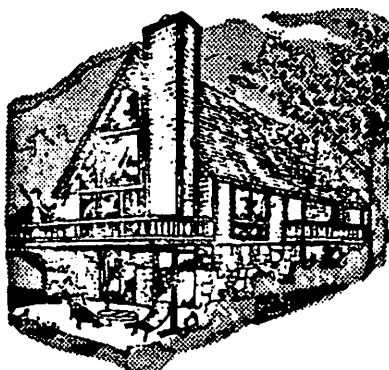
943-2413



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Ed Cavender

Gene Baber



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STATE REG. # 13438

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- Annual Tune-Up Plan
- Convenient Budget Terms

Rt. 2 Hwy. 340 So., - Waynesboro, Va.

254 942-7111

Mable Clemmons
942-6386

Phyllis Hanna
942-2514

Edward Kent
943-1188

Helen A. Kent
942-9255

Lovie Lucas
942-5071



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Residential Properties

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(Route 340 South)
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Phone:
(703) 943-1188

Bank Planters Bank

Planters Bank & Trust Company
of Virginia

251 North Poplar Avenue 942-7145

Highway 250 West 943-1161

**The
Purple
Foot**

WINE & CHEESE

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★ Wines and Beers

★ Cheeses

★ Gourmet Foods

★ Breads and Meats

★ Accessories

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1035 W. Broad St. Waynesboro
(next to the Centre-for-Shopping)

942-wine

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TESTIMONY OF MR. G. KENT BROOKS

Q. State your name and residence.

A. My name is G. Kent Brooks. I live in Ashland, Virginia.

Q. Mr. Brooks, are you here protesting the application of Beneficial for a license at Waynesboro.

A. Yes, I am protesting on behalf of Peoples Finance Service of Waynesboro, Inc.

Q. What is your position with Peoples Finance Service.

A. I am the President and a director of Peoples Finance Service, Inc. and I am also President and a director of Peoples Finance Corporation, the parent company.

Q. How long have you been the President of Peoples Finance.

A. Since 1976. For four years prior to that I was Executive Vice President. I have been with the Company since 1956 and have held all of the various jobs which a small loan company offers.

Q. Have you held any offices with the Virginia Consumer Finance Association.

A. Yes. I am a past President of the Association and have served on its Executive Committee and many of its other committees for many years.

Q. How often do your duties require you to be in Waynesboro.

A. I am there approximately once each month and that has been the case for a number of years. I try to visit all of our offices

once a month. When I do so, I examine loan documents, the applications, all delinquent accounts and review matters generally with the Manager and other office personnel.

Q. Mr. Brooks, have you collected various statistical data in preparation of the Company's opposition to this application.

A. Yes, I worked with Mr. James Parks who is the President of Parks Finance Service, with you and the various employees of the Peoples and Waynesboro offices to obtain the data on which my testimony is based.

Q. What is the basis of your Company's opposition.

A. We are convinced that another small loan license in Waynesboro will not promote the convenience and advantage of that community because (1) there has been a decline in small loan demand in Waynesboro in the past five years and there is no indication that the loan demand in the area can be expected to pick up in the near future; (2) the economy of the area is deteriorating; and (3) competition for the small loan or consumer borrower has increased and can be expected to increase in the future. In short, there are fewer borrowers and there are more sources for small loan credit, presently and potentially. Another small loan license at the location that Beneficial has proposed would promote the convenience and advantage only of the applicant. Although there may be some of Beneficial's present borrowers who live in Waynesboro and who might feel it's convenient to

them for Beneficial to have another office in Waynesboro, in my opinion, those people are not numerous enough to constitute a "community". In addition, the Waynesboro people who now borrow from Beneficial at their offices in Staunton or Crozet or Charlottesville or some other place certainly cannot be primarily interested in convenience or they would borrow from the many sources of credit which are already in Waynesboro and convenient to them.

Q. Have you prepared a list of the financial institutions which are located in Waynesboro.

A. Yes, that is my Exhibit No. 1. It shows that regulated lenders have 21 locations in Waynesboro. This includes three small loan licensees, eight banks or branch banks, two industrial loans, six credit unions and two savings and loan associations. It does not include any unregulated lenders such as GMAC, CIT, Chrysler Credit or any of the merchants who extend credit.

Q. Have you located these 21 institutions on a map of Waynesboro.

A. My Exhibit No. 2 is a map of Waynesboro showing the location of each of the 21 lending offices.

Q. Yours Exhibits Nos. 1 and 2 do not indicate any lending institutions in Augusta County outside of Waynesboro.

A. That is correct. There are six other small loan licensees in Staunton, only 11 miles from Waynesboro, and there are 26 other

banking offices in Staunton and Augusta County. That includes 15 banking offices in Staunton, two in Stuart's Draft, one in Churchville, one in Craigsville, two in Verona, two in Fishersville, one in New Hope, one in Mt. Sidney, and one in Weyers Cave. The Fishersville banks are on U.S. 250 about five miles west of Waynesboro, about midway between Waynesboro and Staunton. The two banking offices in Stuart's Draft are about six or seven miles south of Waynesboro. My Exhibit No. 3 shows the location of all the banking offices, 34 in number, in Waynesboro, Staunton and Augusta County.

Q. Do you have photographs showing the location of the Peoples Finance office and the location for which Beneficial has applied.

A. Yes. The Peoples Finance office is in the largest shopping center in Waynesboro called the Centre which is located on West Broad Street. My Exhibit No. 4 is a composite of two photographs of this shopping center. The actual location of our office is indicated on this exhibit by an arrow. My Exhibit No. 5 is a photograph showing the location for which Beneficial has applied. This is a small shopping center with seven stores including the Cake Shoppe where we understand Beneficial would locate. The address of this store is 250-D North Popular Street which incidentally is right across the street from a branch of the Planters Bank.

- Q. How far apart are these two locations, that is, where your office is and the North Popular Street location.
- A. That can be demonstrated best by my Exhibit No. 6 which is a high-level enlarged aerial photograph of Waynesboro. In the center of the photograph going from right to left is U.S. 250. For identification, U.S. 250 is marked in red. Intersecting U.S. 250 from the north is U.S. 340. For identification, U.S. 340 is marked in green. Just west of the intersection of U.S. 250 and U.S. 340, the two highways split, U.S. 340 continuing westward through the old business district of Waynesboro on Main Street. This is the road which for many years was the principal thoroughfare through Waynesboro. As can be seen, U.S. 250 or Broad Street now parallels Main Street about a block or two to the north until they again intersect at which point U.S. 340 bears to the southwest towards Stuart's Draft and U.S. 250 heads westward to Fishersville and Staunton. For identification, we have enclosed the business district with a black line. The three small loan offices are designated on the map Peoples, Parks and American. The location of the Beneficial proposed site is indicated with an arrow. Measured by an automobile, the distance from the Peoples office to the Beneficial site is three-tenths of a mile. Their close proximity to one another can be seen from the aerial map. Actually, they

are only about three or four blocks apart. This aerial map also serves to demonstrate the comparable size of the two shopping centers (The Centre where Peoples is and the one where Beneficial seeks to locate) and it shows the tremendous number of free parking spaces which are available for patrons of The Centre. The other two existing offices, Parks and American Finance are not much farther from the Beneficial site than the Peoples office. Parking is available for customers of Parks and American Finance not only on the street but also on offstreet lots. We know parking is important because in an area such as Waynesboro, no loan customers walk from their homes or places of employment to the loan offices. They drive their cars. However, there is ample parking at the three existing offices and so the Beneficial location does not supply any additional convenience or advantage.

Q. What do the labels on the lefthand side of the map indicate.

A. They indicate the locations of the plants of the largest employers in the Waynesboro area. I call them to the attention of the Commission on this exhibit simply to demonstrate that none are any closer to the Beneficial location than to the three existing offices. There will be no additional convenience or advantage to their employees by having a small loan office at Beneficial's proposed location.

Q. Have you collected statistics and prepared an exhibit showing the outstanding loans of the three licensees in Waynesboro for recent years.

A. My Exhibit No. 7 shows the number and amount of loans outstanding in each of the three Waynesboro loan offices and the total for all three at the end of the last five years and at March 25, 1979, the date that we obtained the data. The top part of the exhibit deals with number of loans and the bottom part relates to the dollar amount of loans. As Exhibit No. 7 shows, the Peoples office has had a consistent decline in number of loans outstanding throughout the entire period. American had a decline in number of loans for three years in a row but most recently has begun to regain lost accounts. Parks, the most recent licensee in Waynesboro, as the new boy on the block, showed a rather steady increase until recently. So our office declined consistently throughout the period and the other two offices in effect have been swapping accounts. In the first part of the five-year period, Parks was gaining as American lost, and more recently, as American regained, Parks lost accounts. The righthand column of Exhibit No. 7 dealing with number of loans outstanding tells the unhappy story in Waynesboro - a general decline over the entire period which is more pronounced at the moment than at any other time in the past. The bottom half of Exhibit No. 7 seemed to indicate that

although the number of loans has declined that the dollar amount of outstandings has for the most part had a gradual increase. However, the amount of receivables outstanding is a distortion of the real facts unless the outstandings are adjusted for the inflation which everybody is aware has taken place in recent years in this country.

Q. Do you have some information as to the rate of inflation.

A. My Exhibit No. 8 shows for the six most recent years what is known as the consumer price index as released by the United States Department of Labor. As the Commission no doubt knows, an index of 202.9 for 1978 is indicative of the fact that in 1978 it cost \$202.9 to purchase an item which cost only \$100 in 1967.

Q. How do you apply this to the outstanding small loan receivables in Waynesboro.

A. My Exhibit No. 9 shows for the years 1974 through 1978 the total amount of small loan receivables in the three Waynesboro licensees and in the righthand column what those nominal amounts represent in 1967 dollars. As you can see, the \$2,137,000 outstanding at year-end 1974 really purchased only \$1,375,000 in goods for our borrowers. Although by the end of 1978 the nominal outstandings amounted to \$2,335,000, that sum of money purchased items which in 1967 had a total value of about \$1,150,000. In short, our borrowers borrowed fewer real dollars

in 1978 than in 1974. The bottom half of this Exhibit No. 9 applies the inflation factor to the average size of loan outstanding in the three Waynesboro offices. Here again, one can see that, except for one year, in real dollars the average size of loan in Waynesboro has decreased consistently. An increase in small loan demand of any community should be evident both by an increasing number of loans and the increasing amount and size of loan translated into deflated dollars. We believe that demand is slack in Waynesboro.

Q. Can it be said that the experience of the three Waynesboro offices as shown on your Exhibit No. 9 has been caused by failure to advertise or poor management or some other interior factor.

A. That is always a possibility, but the three licensees in Waynesboro are not operated by inexperienced people. None of these offices is a single office independent and all have ample resources, all are closely supervised, all advertise and promote their services locally by radio, television, newspaper and direct mail advertising. The managers and other personnel in these offices are considered by each of their companies to be among the best in the three systems. Moreover, we have only to look to the nearest adjoining communities of Staunton, Charlottesville and Crozet to confirm the declining demand in

Waynesboro. My Exhibit No. 10 shows the number and amount of small loans outstanding in all of the six offices in Staunton for each of the five most recent years, and my Exhibit No. 11 compares the number and amount of small loans outstanding at the end of 1974 and 1978 for the offices in Charlottesville and in Crozet. In each of these communities, there has been a decline in the number of loans outstanding in the five-year period although in Staunton and Charlottesville, there has been an increase in the nominal dollar amount of loans outstanding. Here again, if one applies the rise in the cost of living index, it can be seen that the deflated amount of outstandings in Staunton and Charlottesville have decreased just as in Waynesboro.

Q. On the subject of loan size Mr. Brooks, how do the Waynesboro offices compare with all offices in Virginia.

A. My Exhibit No. 12 shows the average loan outstanding at year-end 1973 and 1977 for all offices in Virginia, and separately for the three offices in Waynesboro and the six offices in Staunton. From this exhibit, it can be seen that in both periods, Waynesboro and Staunton have been below the State average in size of loan, the differential being more pronounced in Waynesboro where at year-end 1977 the average size of loan in Waynesboro was only 94% of the State average. These statistics also support our conclusion that

loan demand in Waynesboro (and also in Staunton for that matter) is less than throughout the State.

- Q. How do you know that if Beneficial has an office in Waynesboro that their average loans might not be much larger than those of the existing licensees.
- A. Of course, we don't know for sure, but the best standard we have for measuring what Beneficial would do in Waynesboro is to look at what they have done in their two closest offices, at Staunton and Crozet. My Exhibit No. 12 shows that experience. In each of those offices, Beneficial's average loan is much smaller than the State's average and considerably less than the average loan size in Waynesboro. In fact, Beneficial's Staunton licensee has the smallest average loan of all of the Staunton licensees. So, we wouldn't expect them to change their mode of operation in Waynesboro.
- Q. If Beneficial's application is approved, there will be four licensees in Waynesboro. Do you consider that an abnormal number when there are as many as nine in Charlottesville.
- A. The number of licensees is important only when related to population or loan demand. If the number of loans per licensee and the absolute or deflated dollar amount of loans outstanding increase substantially and consistently for several years, that indicates to us in the industry that there is a demand for our

services and that another licensee could operate successfully and would serve the community. As I have stated, that has not occurred in Waynesboro. Also, in the industry, we believe that if there is a substantial increase in population in a particular locality or if there are fewer licensees in relation to the population that those circumstances indicate the community will support additional licensees. However, there has not been any substantial population increase in Waynesboro and the average number of people for each of the three Waynesboro licensees is already less than the average licensee population in the State. My Exhibit No. 13 demonstrates the population change in the Waynesboro community. It can be seen from Exhibit No. 13 that the population in the City of Waynesboro has decreased rather substantially in the seven-year period from 1970 to 1977. On the other hand, population of Augusta County has increased in the same period. This has been the experience in practically all Virginia city-county communities. My Exhibit No. 13 compares the population change in two ways, one combining Waynesboro and the immediately adjoining Wayne Magisterial District, and the second comparison combining Waynesboro-Wayne Magisterial District and the other closest magisterial district, South River District. My 1977 estimates for the two magisterial districts are just that - estimates.

No professional organization that we know of, including Tayloe-Murphy Institute, breaks down county population estimates by magisterial districts. My estimates were made by obtaining the total number of building permits in the county and the total number of building permits in the two magisterial districts and applying the 1978 percentages to the Tayloe-Murphy county population estimates. Exhibits Nos. 14 and 15 show the number of building permits in Augusta County and the permits in the Wayne and South River Districts. My estimates must be fairly accurate because the county board of supervisors has estimated that present population in each of these districts is 7,414.

- Q. Returning to Exhibit No. 13, I see that you show a seven-year population increase of 438 people combining the City of Waynesboro and Wayne District and that if Waynesboro, Wayne District and South River District are combined, the seven-year population increase is 1,564.
- A. Even if one uses the larger area, a population increase of 1,564 is quite modest in seven years and amounts to only about 625 families; less than 90 new families in each of the seven years. Even so, we would normally expect those additional people to result in more and larger small loans, but that has not occurred and we think that this is further evidence of slackness of demand for small loans in this area.

Q. Turning to the question of average population per licensee as a gauge of whether additional small loan offices are indicated, what has been your investigation on this question.

A. My Exhibit No. 16 shows that within the confines of the City of Waynesboro, there are 5,367 people available as potential customers for each of the three licensees. In the City of Staunton there are six licensees with 3,667 potential borrowers per licensee. If we combine the population of Waynesboro, Staunton and all of Augusta County which is 90,000 and divide that by the nine total licensees in the area, the average population per licensee is 10,000. Even this larger number is considerably less than the State average of 12,493. And if the Commission should approve Beneficial's application, the population per licensee in the Waynesboro-Staunton-Augusta County area will compare even less favorably to the State.

Q. What investigation have you made as to the general economy of the Waynesboro area.

A. Two of the principal indicators that we always look to to determine the economic health of the community are retail sales and employment.

Q. Who are the principal employers in the community.

A. In recent years, the largest employer has been the General Electric followed by DuPont. DuPont's employment seems to be fairly steady at 2,000 employees, but the employment in G.E.

has been drastically reduced in the past year. Going from 1,087 salaried and 1,813 hourly wage workers for a total of 2,900 in March of 1978, down to 777 salaried and 1,287 hourly workers for a total of 2,064 in March of 1979, a decrease of 29%.

Q. Is this decrease a temporary layoff.

A. No. Our information is that many of these employees have been transferred to other plants in other areas. The transfer was written about in the latter part of last year in the Waynesboro News Virginian, and an additional layoff of hourly employees was written up in January of 1979 in the same newspaper. My Exhibit No. 17 has the clippings from the three editions of the local newspaper.

Q. Have any other employers in the area employed the persons who have been laid off by G.E.

A. Apparently not. My Exhibit No. 18 shows for each month beginning January, 1978 through February, 1979, the number of people employed and unemployed and the rate of unemployment in the City of Waynesboro, City of Staunton, Augusta County and the combined labor market of Staunton-Waynesboro-Augusta County. From this exhibit it can be seen that in Waynesboro the number of unemployed has increased over 200 in February, 1979 over the unemployed in February of 1978 and the rate of unemployment in the city has gone up to 10.3%. The rate of unemployment in

Augusta County has also increased over February, 1978 percentages as has the total labor market. The VEC also reports that the number of unemployment claims in Waynesboro was up to 900 in February, 1979, an increase of 55% for January.

Q. How do the area statistics compare with the State of Virginia.

A. My Exhibit No. 19 shows for the same months employment, unemployment and rate of unemployment in the whole State. It can be seen that the rate of unemployment in February, 1979 across the State is actually less than it was in February of 1978 and moreover, that the 6.6% of the rate of unemployment is far less than the 10.3% in Waynesboro.

Q. What about retail sales.

A. My Exhibit No. 20 compares retail sales for 1972 and 1977 in the City of Waynesboro and in Augusta County. It shows what appears to be a substantial increase in the nominal amount of retail sales at the latter period. However, if we again apply the inflation rate to these dollars which is shown as the deflated amount on the righthand column of Exhibit No. 20 there was a decrease in the amount of real dollars spent for retail sales in Waynesboro in that five-year period, and only a very small increase in Augusta County. Certainly, not dramatic enough to indicate that the economy of the community is particularly healthy. In fact, my Exhibit No. 21 shows the number of bankruptcies that the three small loan licensees

had in 1978 were nearly three times as the year before and it looks like there will be even more in 1979.

Q. In the beginning of your testimony, you stated that one of the reasons why another loan license will not promote the convenience and advantage of Waynesboro is that competition to get the business of the small loan borrower or consumer has increased. How do you support that statement.

A. There are eight banking offices within the corporate limits of Waynesboro. All of them offer their customers credit cards. In fact, the three State-wide banks which have offices there, Virginia National Bank, First and Merchants and First Virginia Bank offer their customers both Master Charge and VISA cards. My Exhibit No. 22 are copies of the application for a credit card which each of these three banks offer. In the past, before bank credit cards became so popular, a typical small loan borrower would borrow from a small loan licensee to make purchases as well as for his cash needs. Today, a typical small loan borrower has a pocket full of credit cards and both the Master Charge and VISA plans not only permit the cardholder to buy merchandise on credit they also permit the cardholder to get a cash advance up to \$1,000 (\$1,500 for some banks) simply by presenting the card at any branch. The banks

which have 24-hour teller machines make it even more convenient. A cardholder can go to the machine at any time and get a cash advance up to his credit limit. First and Merchants has a teller machine at its banks in Waynesboro. It also appears that we will soon have even greater competition in Waynesboro from bank cards. A news item in the Richmond Times-Dispatch for April 7, 1979 indicated that Bank of Virginia will be acquiring the Community Bank and Trust Company which has an office in Waynesboro. Bank of Virginia is the most aggressive of all Virginia banks in the credit card area and has a cash advance limit of \$1,500 and is very active in the use of 24-hour money machines.

Q. Is credit card usage increasing.

A. My Exhibit No. 23 which comes from the November, 1978 Federal Reserve Bulletin published by the Federal Reserve Bank shows that U.S. commercial banks are making available more and more installment credit. In fact, during the period 1975 through September, 1978, the percentage of installment credit extended by U.S. commercial banks has increased more than the total credit by all extenders, and during the same period credit extended by finance companies has increased much less. It also appears from the Federal Reserve Bank statistics on this exhibit that the use of bank credit cards has increased by 72% in the period January, 1975 through December, 1978.

Q. Do you have any statistics on the credit card use in Virginia.

A. My Exhibit No. 24 is a summary of Virginia Bankers Association's survey. During the final month of the quarter ended December 31, 1978, nearly 1.4 million customers used Virginia bank credit cards, an increase of 55 % from the number that used the cards in the final month of the quarter ended March 31, 1976. At December 31, 1978, the total amount of Virginia bank credit cards outstanding was approximately \$617 million, an increase of 67% over the amount outstanding on March 31, 1976. Perhaps, what is even more important is that during the three months ending December 31, 1978, Virginia bank credit cardholders received cash advances on their cards of nearly \$34 million, an increase of 83% over the same three months ending March 31, 1976. The amount of cash advances on Virginia bank credit cards in the four quarterly periods of 1978 totalled \$127 million. This is a very significant number when one realizes that all of the small loan offices in Virginia advanced only \$311 million in 1977.

Q. Do any of the other financial institutions besides banks and small loan companies offer any real competition for the small loan borrower.

A. The credit unions in Waynesboro are very competitive. The DuPont credit union alone had assets at the end of 1977 amounting

to \$26.9 million. I have been told that at the end of 1978 this credit union had loans outstanding of \$32 million, more than 12 times as the three small loan offices in Waynesboro combined. The DuPont credit union is unique in that you don't even have to be an employee to borrow so long as a DuPont employee co-signs or endorses the loan. This amounts to a substantial relaxation of the usual credit union regulation requiring a borrower to be a member employee and greatly enlarges the number of potential borrowers. When one considers that DuPont, G.E., and Thiokol all have active credit unions and together employ over 4,500 Waynesboro people, then it is quite obvious that those credit unions represent substantial competition to small loan companies. The industrial loan companies are also a real competitive factor. Only one of them is now active, but there are two industrial loan licensees and they need only capital infusions in order to become substantial competitors.

WAYNESBORO FINANCIAL INSTITUTIONS

No. on Map

Small Loan Licensees

- 1 American Finance Corporation
528 West Main Street
- 2 Parks Finance Service
133 N. Wayne Avenue
- 3 Peoples Finance Service of Waynesboro
901-S West Broad Street

Banking Offices

- 4 First Virginia Bank of Augusta
901-H West Broad Street
- 5 First Virginia Bank of Augusta
105 Hopeman Parkway
- 6 Planters Bank and Trust Company
251 N. Popular Avenue
- 7 Community Bank and Trust Company of Augusta
1119 West Main Street
- 8 Virginia National Bank
503 West Main Street
- 9 Virginia National Bank
200 East Broad Street
- 10 First & Merchants National Bank
216 N. Wayne Street
- 11 First & Merchants National Bank
1415 West Main Street

Industrial Loan Associations

- 12 Southern Industrial Loan Corporation
119 S. Wayne Street
- 13 Beneficial Industrial Loan Association
437 Walnut Avenue

Credit Unions

- 14 Klann Employees Credit Union, Inc.
301 4th Street
- 15 Thiokol Fibers Employees Credit Union
901 S. Delphinn
- 16 Waynesboro DuPont Employees Credit Union
901 S. Delphin
- 17 Waynesboro G.E. Employees Credit Union
531 West Main Street
- 18 W.C.H. Employees Credit Union
501 Oak Street
- 19 W.P.S.E. Credit Union
301 Pine Avenue

Savings and Loan Associations

- 20 Old Dominion Savings and Loan Association
116 S. Wayne Street
- 21 Virginia Federal Savings and Loan Association
230 S. Wayne Street

IT NO. 4

21 Virginia Federal SS...



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BANKING OFFICES IN COUNTY 015 IN VIRGINIA

5101780000 MAIN OFFICE NON MEM 051407665 ✓
FIRST VIRGINIA BK OF AUGUSTA
STAUNTON VA 24401

5101780001 CRAIGSVILLE OFFICE NON MEM 051407665
FIRST VIRGINIA BK OF AUGUSTA
CRAIGSVILLE VA 24430

5101780006 STUARTS DRAFT BRANCH NON MEM 051407665
FIRST VIRGINIA BK OF AUGUSTA
STUARTS DRAFT VA 24477

5101780007 CHURCHVILLE OFFICE NON MEM 051407665
FIRST VIRGINIA BK OF AUGUSTA
CHURCHVILLE VA 24421

5101790000 MAIN OFFICE MEMBER 051403708 ✓
COMMUNITY BK & TR CO AUGUSTA CO
VERONA VA 24482

5101790001 WAYNESBORO BRANCH MEMBER 051403708
COMMUNITY BK & TR CO OF AUG CO
WAYNESBORO VA 22980

5101810000 MAIN OFFICE NON MEM 051402822 ✓
PLANTERS BK & TR CO OF VA
FISHERSVILLE VA 22939

5101810001 WAYNESBORO BRANCH NON MEM 051402822
PLANTERS BK & TR CO OF VA
WAYNESBORO VA 22980

5101810003 RICHMOND ROAD OFFICE NON MEM 051401218
PLANTERS BK & TR CO OF VA
STAUNTON VA 24401

5104900012 STUARTS DRAFT MAIN OFFICE MEMBER 051404367 ✓
NATIONAL BANK & TRUST CO
STUARTS DRAFT VA 24477

5104900013 NEW HOPE OFFICE MEMBER 051404833
NATIONAL BANK & TRUST CO
NEW HOPE VA 24469

5104900014 FISHERSVILLE OFFICE MEMBER 051401690
NATIONAL BANK & TRUST CO
FISHERSVILLE VA 22939

5113500003 MT SIDNEY OFFICE MEMBER 051406941
THE ROCKINGHAM NATIONAL BANK
MT SIDNEY VA 24467

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04/03/79

BANKING OFFICES IN COUNTY 015 IN VIRGINIA

5113500004	VERONA OFFICE	MEMBER	051407568
	THE ROCKINGHAM NATIONAL BANK		
	VERONA VA 24482		

5113500005	AUGUSTA ROCKINGHAM OFFICE	MEMBER	051404558
	THE ROCKINGHAM NATIONAL BANK		
	WEYERS CAVE VA 24486		

5101780002 STAUNTON OFFICE NON MEM 051407665
FIRST VIRGINIA BK OF AUGUSTA
STAUNTON VA 24401

5101810002 DOWNTOWN STAUNTON BRANCH NON MEM 051401218
PLANTERS BK & TR CO OF VA
STAUNTON VA 24401

5101810004 WEST BEVERLY ST OFFICE NON MEM 051401218
PLANTERS BK & TR CO OF VA
STAUNTON VA 24401

5101810005 TERRY COURT BRANCH NON MEM 051401218
PLANTERS BK & TR CO OF VA
STAUNTON VA 24401

5101810006 NORTHSIDE DRIVE IN BRANCH NON MEM 051401218
PLANTERS BK & TR CO OF VA
STAUNTON VA 24401

5119850055 STAUNTON MAIN OFFICE MEMBER 051401182 ✓
VIRGINIA NATIONAL BANK
STAUNTON VA 24401

5119850056 SPRINGHILL ROAD OFFICE MEMBER 051401182
VIRGINIA NATIONAL BANK
STAUNTON VA 24401

5123700040 STAUNTON AUGUSTA MAIN OFFICE MEMBER 051401179 ✓
FIRST & MERCHANTS NATIONAL BANK
STAUNTON VA 24401

5123700041 NORTHSIDE BRANCH MEMBER 051401179
FIRST & MERCHANTS NATIONAL BANK
STAUNTON VA 24401

5127250000 MAIN OFFICE MEMBER 051401166 ✓
UNITED VA BANK/NATIONAL VALLEY
STAUNTON VA 24401

5127250001 GREENVILLE AVE OFF MEMBER 051401166
UNITED VA BANK/NATIONAL VALLEY
STAUNTON VA 24401

5127250002 CHURCHVILLE AVENUE OFFICE MEMBER 051401166
UNITED VA BANK/NATIONAL VALLEY
STAUNTON VA 24401

5127250003 COALTER ST BR MEMBER 051401166
UNITED VA BANK/NATIONAL VALLEY
STAUNTON VA 24401

5101780003 WAYNESBORO OFFICE NON MEM 051407665
FIRST VIRGINIA BK OF AUGUSTA
WAYNESBORO VA 22980

5101780005 WEST WAYNESBORO OFFICE NON MEM 051407665
FIRST VIRGINIA BK OF AUGUSTA
WAYNESBORO VA 22980

5119850061 CITIZENS WAYNESBORO OFFICE MEMBER 051402288
VIRGINIA NATIONAL BANK
WAYNESBORO VA 22980

5119850062 RIVERSIDE OFFICE MEMBER 051402288
VIRGINIA NATIONAL BANK
WAYNESBORO VA 22980

5123700050 WAYNESBORO MAIN OFFICE MEMBER 051402275 ✓
FIRST & MERCHANTS NATIONAL BANK
WAYNESBORO VA 22980

5123700051 WEST MAIN ST OFFICE MEMBER 051402275
FIRST & MERCHANTS NATIONAL BANK
WAYNESBORO VA 22980

PAGE 5 PROGRAM BSRPT040 04/03/79
BANKING OFFICES IN COUNTY 820 IN VIRGINIA

TOTAL NUMBER OF ITEMS RETRIEVED 34

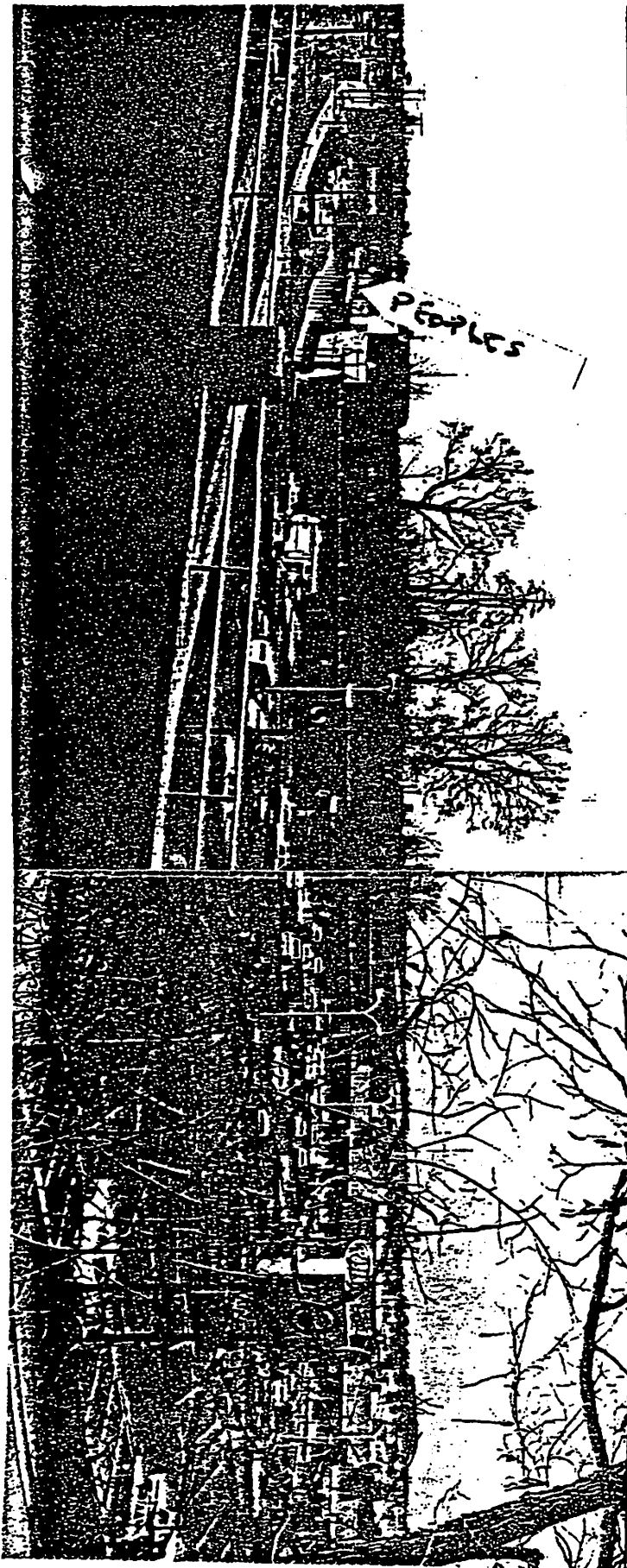






EXHIBIT NO. 6

EXHIBIT NO. 7

WAYNESBORO SMALL LOAN LICENSEES

Number of Loans Outstanding

<u>Period</u>	<u>American</u>	<u>Parks</u>	<u>Peoples</u>	<u>Total</u>
12/31/74	991	787	1,162	2,940
12/31/75	904	757	1,082	2,743
12/31/76	891	772	970	2,633
12/31/77	954	869	939	2,762
12/31/78	996	962	911	2,869
3/25/79	1,007	949	867	2,649

1974-1978 - 2.4% decrease
1974-3/25/79 -

Total Amount of Outstandings

<u>Period</u>	<u>American</u>	<u>Parks</u>	<u>Peoples</u>	<u>Total</u>
12/31/74	\$ 956,487	\$ 536,630	\$ 644,410	\$2,137,527
12/31/75	716,186	537,090	666,597	1,919,873
12/31/76	743,238	578,757	692,017	2,023,012
12/31/77	815,671	684,586	720,658	2,210,917
12/31/78	843,013	762,135	729,736	2,334,884
3/25/79	829,916	725,135	713,771	2,268,822

1974-1978 - 9.2% increase - average annual
increase - 1.8%
1974-3/25/79 - 6.1% increase -

Source: Number and Amount of Outstandings, Annual Reports
Bureau of Banking. 3/25/79 data from licensees'
records.

COST OF LIVING INDEX*

<u>Date</u>	<u>Index</u>	
1973	138.5	
1974	155.4	
1975	166.3	
1976	174.3	
1977	186.1	
1978	202.9	

<u>Period</u>	<u>% Increase</u>	<u>% Average Annual Increase</u>
1973-1978	64.4%	12.88%

*Consumer Price Index - U. S. Cities Average - all items. Base year 1967. Source: U.S. Department of Labor.

EXHIBIT NO. 9

WAYNESBORO SMALL LOAN LICENSEES

Total Outstandings - Deflated Amounts

<u>Period</u>	<u>Nominal Amount</u>	<u>Deflated Amount*</u>
12/31/74	\$ 2,137,527	\$ 1,375,161
12/31/75	1,919,873	1,153,938
12/31/76	2,023,012	1,160,642
12/31/77	2,210,917	1,189,683
12/31/78	2,334,884	1,150,320

<u>Period</u>	<u>Number of Loans</u>	<u>Deflated Amounts*</u>	<u>Average Size of Deflated Outstandings</u>
12/31/74	2,940	\$ 1,375,161	\$ 467.74
12/31/75	2,743	1,153,938	420.68
12/31/76	2,633	1,160,642	440.81
12/31/77	2,762	1,189,683	430.73
12/31/78	2,869	1,150,320	401.65

* Deflated amounts represented at each date nominal amount
adjusted by the cost of living index shown on Exhibit No. 8.

NUMBER AND AMOUNT OF SMALL LOANS OUTSTANDING
IN STAUNTON 12/31/74 - 12/31/78

<u>12/31.</u>	<u>Number</u>	<u>Amount</u>
1974	5,323	\$3,564,300
1975	4,750	3,477,376
1976	4,945	3,939,310
1977	5,032	4,203,933
1978	<u>4,989</u>	<u>4,273,673</u>
1974-1978 increase (decrease)	[334]	\$ 709,377
1974-1978 % increase (decrease)	[6.27%]	19.9%

NUMBER AND AMOUNT OF SMALL LOANS OUTSTANDING
12/31/74 AND 12/31/78

Charlottesville

<u>12/31</u>	<u>Number</u>	<u>Amount</u>
1974	8,826	\$ 6,442,136
1978	<u>7,674</u>	<u>6,757,323</u>
1974-1978 increase (decrease)	[1,152]	\$ 315,187
1974-1978 % increase (decrease)	[13%]	4.9%

Crozet

<u>12/31</u>	<u>Number</u>	<u>Amount</u>
1974	508	\$ 280,150
1978	<u>416</u>	<u>235,594</u>
1974-1978 increase (decrease)	[92]	\$ [44,556]
1974-1978 % increase (decrease)	[18.1%]	[15.9%]

SMALL LOAN LICENSEES - AVERAGE SIZE OF LOANS
OUTSTANDING (at year end)

	<u>1974</u>	<u>1977</u>	<u>Increase 1974- 1977</u>	<u>% State Average - 1977</u>
<u>Virginia</u>	\$683	\$853	24.9%	-
Waynesboro	727	800	10.4%	94%
Staunton	670	835	24.6%	97.8%

Beneficial-Staunton	682	781	14.5%	91.6%
Beneficial-Crozet	551	566	2.7%	66.4%

Source: Bureau of Banking, Annual Reports

POPULATION COMPARISON 1970 AND 1977 ESTIMATE
(Excluding South River District)

<u>Year</u>	<u>Augusta County</u>	<u>Wayne Mag. District</u>	<u>Waynesboro</u>	<u>Total Wayne Mag. Dist. Waynesboro</u>
1970	44,220	6,406	16,707	23,113
1977 (Est.)	<u>51,900*</u> <u>+7,680</u>	<u>7,451**</u> <u>+1,045</u>	<u>16,100*</u> <u>-607</u>	<u>23,551</u> <u>+438</u>

POPULATION COMPARISON 1970 AND 1977 ESTIMATE
(Including South River District)

<u>Year</u>	<u>Augusta County</u>	<u>Wayne Mag. District</u>	<u>South River District</u>	<u>Waynesboro</u>	<u>Total Wayne Mag. and South River Dists., Waynesboro</u>
1970	44,220	6,406	6,406	16,707	29,519
1977 (Est.)	<u>51,900*</u> <u>+7,680</u>	<u>7,451**</u> <u>+1,045</u>	<u>7,632**</u> <u>+1,226</u>	<u>16,100*</u> <u>-607</u>	<u>31,183</u> <u>+1,564</u>

* July 1, 1977 Estimate - Tayloe-Murphy Institute

** Estimated by increasing 1970 population in Wayne District by 13.6%, being the portion of 1978 building permits in Wayne Magisterial District, and by increasing 1970 population in South River Magisterial District by 15%.

BUILDING PERMITS AUGUSTA COUNTY

Total Residential and Commercial

<u>Year</u>	<u>Number</u>
1973	1,328
1974	1,222
1975	1,063
1976	1,123
1977	1,174
1978	1,152

Decrease 1973-1978 - 176 or 13.25%

BUILDING PERMITS - 1973 - 1978

	<u>Year</u>	<u>Total Number Residential and Commercial</u>	<u>% of County Total</u>
Wayne Magisterial District	1973	153	11.5%
	1978	157	13.6%
South River Magisterial District	1973	214	16%
	1978	176	15%

SMALL LOAN OFFICES

<u>Locality</u>	<u>Population*</u>	<u>Number of S.L. Licensees</u>	<u>Average Population Per Licensee</u>
Waynesboro	16,100	3	5,367
Staunton	22,000	6	3,667
Waynesboro-Staunton- Augusta County	90,000	9	10,000
State of Virginia	5,134,500	411	12,493

* July 1, 1977 Estimate - Tayloe Murphy Institute.

October 28, 1978

Proposed GE Move Could Affect 130 Local Positions

General Electric Co. officials here confirmed today that the firm is studying the possibility of relocating certain of its Industrial Control Department functions from plants in Waynesboro and Salem to a new office facility in Charlottesville.

W. C. Mackey, general manager of the department, said the move would involve the department headquarters and Electric Vehicle Control marketing and engineering from Salem, and Numerical Control marketing, finance and application engineering units from Waynesboro.

In all, about 130 salaried positions in the company's Waynesboro facility would be affected. About 100 of the affected employees would transfer and would either commute or relocate to the Charlottesville area, a

spokesman said.

GE has taken an option on a leased office facility in Charlottesville, pending corporate headquarters' approval of a proposal to construct a new office facility. A review of the proposal should be completed by mid-November and if the proposal is approved, the major portion of the move would be completed by year-end, the company said.

"The long-term plan for ICD has been to move operations from Salem and Waynesboro into a single location," Mr. Mackey stated. "Such a move will strengthen our business and allow us to serve our customers more effectively," he added.

The Data Communication Products Business Department of Waynesboro would not be affected by the proposal.

January 10, 1979

GE Layoff Is Explained

The Data Communication Products Business Department of the General Electric Co. in Waynesboro today confirmed the notification of layoff to approximately 240 hourly employees, effective Jan. 12.

A spokesman for the company said a number of factors are involved. "Moves of two business sections to other Virginia plant locations, coupled with the recent reorganization of the department, have allowed the cost effective consolidation of several department functions. "In addition, the spokesman said, "the updating of the department's strategic plans has resulted in a shift of emphasis to newer products which require less labor in manufacturing. Further, acceptance of the newer products at a greater than anticipated rate has caused an inventory build-up in older lines."

The spokesman indicated there will be some layoffs of salaried employees within the month to complete this phase of the reorganization.

November 22, 1978

GE To Construct Albemarle Office

General Electric Co. officials said today that the company definitely will construct an office facility in the Charlottesville area. The move, which the company said in October that it was studying, will relocate certain of GE's Industrial Control Department functions from Waynesboro, Richmond and Salem plants when the facility is completed.

In a statement released today the company said, "As an interim step, several exempt employees will be relocated from these three plants into a rented facility in the Charlottesville area. Included are about 90 Waynesboro-based employees. This step will begin shortly and will be virtually completed by year end 1978.

"The pending move," the statement continued, "is expected to result in no immediate layoffs inasmuch as no hourly jobs will be affected and a number of secretarial and

clerical employees have been invited to accompany their jobs to Charlottesville."

A company spokesman said today that the move will involve the department headquarters and Electrical Vehicle Control marketing and engineering from Salem as well as Numerical Control marketing, finance and application engineering units from Waynesboro.

When the proposal was announced in October GE said that the Data Communication Products Business Department here would not be affected by the move. A company spokesman confirmed that today.

W. C. Mackey, general manager of Industrial Control, noted in October, "The long-term plan for ICD has been to move operations from Waynesboro and Salem into a single location. Such a move will strengthen our business and allow us to serve our customers more effectively."

SPECIAL MONTHLY LABOR MARKET INFORMATION REPORT
FOR PENDING LEGISLATION AND OTHER PURPOSES

STATE NAME Virginia FIPS CODE 51
GEOGRAPHIC UNIT NAME Waynesboro City FIPS CODE 820
Enter geographic definition here: _____

Period	Civilian Labor Force	Employment 2/	Unemployment	
			Total	Rate
1978				
January	8,340.	7,582.	758.	9.1
February	8,272.	7,488.	784.	9.5
March	8,245.	7,602.	643.	7.8
April	8,253.	7,701.	552.	6.7
May	8,321.	7,821.	500.	6.0
June	8,415.	7,918.	497.	5.9
July	8,597.	7,982.	615.	7.2
August	8,528.	7,979.	549.	6.4
September	8,459.	8,035.	424.	5.0
October	8,482.	8,036.	446.	5.3
November	8,568.	8,040.	528.	6.2
December	8,848.	8,031.	817.	9.2
ANNUAL AVERAGE:	- 8,444.	7,851.	593.	7.0

1979
January 8,584 7,838 746 8.7
February 8,676 7,784 892 10.3

298

2/ Includes where appropriate, workers directly involved in labor disputes.

SPECIAL MONTHLY LABOR MARKET INFORMATION REPORT
FOR PENDING LEGISLATION AND OTHER PURPOSES

STATE NAME Virginia FIPS CODE 51
GEOGRAPHIC UNIT NAME Staunton City FIPS CODE 790

1/Enter geographic definition here: _____

Period	Civilian Labor Force	Employment 2/	Unemployment	
			Total	Rate
1978				
January	10,547.	9,744.	803.	7.6
February	10,378.	9,624.	754.	7.3
March	10,456.	9,770.	686.	6.6
April	10,460.	9,897.	563.	5.4
May	10,611.	10,052.	559.	5.3
June	10,798.	10,177.	621.	5.8
July	10,837.	10,258.	579.	5.3
August	10,809.	10,255.	554.	5.1
September	10,897.	10,328.	569.	5.2
October	10,924.	10,328.	596.	5.5
November	10,902.	10,333.	569.	5.2
December	11,007.	10,322.	685.	6.2
ANNUAL AVERAGE:	- 10,719.	10,091.	628.	5.9

1979				
January	10,875	10,074	801	7.4
February	10,796	10,004	792	7.3

299

2/ Includes where appropriate, workers directly involved in labor disputes.

SPECIAL MONTHLY LABOR MARKET INFORMATION REPORT
FOR PENDING LEGISLATION AND OTHER PURPOSES

STATE NAME Virginia FIPS CODE 51
GEOGRAPHIC UNIT NAME Augusta County FIPS CODE 015
/Enter geographic definition here: _____

Period	Civilian Labor Force	Employment 2/	Unemployment	
			Total	Rate
1978				
January	23,811.	22,488.	1,323.	5.6
February	23,621.	22,210.	1,411.	6.0
March	23,796.	22,548.	1,248.	5.2
April	23,734.	22,841.	893.	3.8
May	24,127.	23,199.	928.	3.8
June	24,363.	23,486.	877.	3.6
July	24,613.	23,674.	939.	3.8
August	24,321.	23,667.	654.	2.7
September	24,580.	23,834.	746.	3.0
October	24,501.	23,835.	666.	2.7
November	24,570.	23,846.	724.	2.9
December	24,853.	23,819.	1,034.	4.2
ANNUAL AVERAGE:	24,241.	23,287.	954.	3.9

1979				
January	24,437	23,249	1,188	4.9
February	24,626	23,057	300 1,539	6.2

Includes where appropriate, workers directly involved in labor disputes

SPECIAL MONTHLY LABOR MARKET INFORMATION REPORT
FOR PENDING LEGISLATION AND OTHER PURPOSES

STATE NAME Virginia FIPS CODE 51
GEOGRAPHIC UNIT NAME Staunton-Waynesboro LMA FIPS CODE _____
1/Enter geographic definition here: Staunton & Waynesboro Cities Augusta Co

Period	Civilian Labor Force	Employment 2/	Unemployment	
			Total	Rate
1978				
January	42,698.	39,814.	2,884.	6.8
February	42,721.	39,321	2,949	7.0
March	42,497.	39,920.	2,577.	6.1
April	42,447.	40,439.	2,008.	4.7
May	43,059.	41,072.	1,987.	4.6
June	43,576.	41,581.	1,995.	4.6
July	44,047.	41,914.	2,133.	4.8
August	43,658.	41,901.	1,757.	4.0
September	43,936.	42,197.	1,739.	4.0
October	43,907.	42,199.	1,708.	3.9
November	44,040.	42,219.	1,821.	4.1
December	44,708.	42,172.	2,536.	5.7
ANNUAL AVERAGE:	43,404.	41,229.	2,175.	5.0

1979				
January	43,896	41,161	2,735	6.2
February	44,098	40,875	3,223	7.3

2/ Includes where appropriate, workers directly involved in labor disputes.

SPECIAL MONTHLY LABOR MARKET INFORMATION REPORT
FOR PENDING LEGISLATION AND OTHER PURPOSESSTATE NAME VIRGINIA FIPS CODE 51GEOGRAPHIC UNIT NAME State of VIRGINIA FIPS CODE _____1/Enter geographic definition here: _____

Period	Civilian Labor Force	Employment 2/	Unemployment	
			Total	Rate
1978				
January	2,360,508.	2,210,063.	150,445.	6.4
February	2,353,611.	2,194,435.	159,176.	6.8
March	2,369,162.	2,222,327.	146,835.	6.2
April	2,375,779.	2,256,930.	118,849.	5.0
May	2,416,657.	2,299,508.	117,149.	4.8
June	2,476,426.	2,344,189.	132,237.	5.3
July	2,477,900.	2,349,105.	128,795.	5.2
August	2,468,200.	2,242,686.	125,514.	5.1
September	2,457,099.	2,332,881.	124,218.	5.1
October	2,454,359.	2,342,836.	111,523.	4.5
November	2,457,308.	2,340,916.	116,392.	4.7
December	2,468,991.	2,340,124.	128,867.	5.2
ANNUAL AVERAGE:	2,428,000.	2,298,000.	130,000.	5.4

1979

January 2,429,368 2,277,752 151,616 6.2

February 2,415,186 2,255,629 159,557 6.6

302

2/ Includes where appropriate, workers directly involved in labor

RETAIL SALES - 1972 - 1977Waynesboro

<u>Year</u>	<u>Nominal Amount</u>	<u>Deflated Amount</u> **
1972	\$ 59,205,000 *	\$ 46,508,248
1977	85,301,000 *	45,836,110

Change in nominal sales - 44% increase
 Change in deflated sales - 1.4% decrease

Augusta County

<u>Year</u>	<u>Nominal Amount</u>	<u>Deflated Amount</u> **
1972	\$ 39,565,000 *	\$ 31,080,126
1977	66,599,000	35,786,673

Change in nominal sales - 68% increase
 Change in deflated sales - 6.7% increase

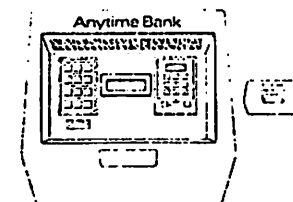
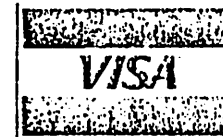
* Source - Editor and Publisher, 1977 Market Guide.

** 1967 Base year - Consumer Price Index, 1972-127.3;
 1977-186.1.

BANKRUPTCIES - WAYNESBORO LICENSEES

<u>Period</u>	<u>American</u>	<u>Parks</u>	<u>Peoples</u>	<u>Total</u>
1977	1	1	9	11
1978	12	9	10	31
through 3/25/79	3	6	4	13

Application For Anytime Bank Cards



F&M
Your lifetime bank

EXHIBIT NO. 22

BANK CARD AGREEMENT

AGREEMENT: This Bank Card is the property of First & Merchants National Bank, Richmond, Virginia (Bank), and may be revoked by Bank any time. It is non-transferable. By accepting, signing or using this card, the person whose name is embossed on the face hereof and anyone authorized by such person to use this card, jointly and severally agree: (1) to assume responsibility for Bank Card credit extended to Cardholder or to anyone authorized by Cardholder to use this Bank Card; (2) to maintain the Bank Card account within the credit limit established by Bank; (3) to pay, at such place and according to such repayment schedule as Bank may from time to time designate, obligations evidencing such credit and finance charges where applicable, including reasonable attorney's fees in the event of suit; (4) to notify Bank promptly of loss, theft or unauthorized use of the Bank Card; (5) to surrender the Bank Card upon demand; (6) not to raise or assert against Bank any defense, right, claim or counterclaim Cardholder may now or hereafter have against any merchant or company honoring the Bank Card except insofar as such claims and defenses are expressly allowed under Section 170 of the Fair Credit Billing Act; (7) that any claim of Bank against Cardholder shall at Bank's option become immediately due and payable if Cardholder fails to perform any terms hereof or make any payments as agreed; (8) by the use of this card at an F&M Anytime Bank, Cardholder agrees to be bound by the rules and regulations governing Bank Cards with the Anytime Bank Feature and all future amendments thereto; and (9) that this agreement shall be governed by the laws of the Commonwealth of Virginia.

RULES AND REGULATIONS GOVERNING BANK CARDS WITH THE ANYTIME BANK FEATURE

1. Until further notice, F&M Bank Cards with the Anytime Bank Feature may be used once for Bank Card cash advances or withdrawals from checking or savings accounts during each 24 hour period.
2. At the time the card is used, customer will select a transaction applicable to those F&M accounts included on the card, which may be Bank Card, checking or savings or any combination of those accounts.
3. All checking account and savings account transactions will be subject to established service charges. All Bank Card transactions will be subject to finance charges as shown in the Bank Card initial disclosures and to the Agreement printed above.
4. In the event there is an insufficient balance to cover a checking or savings account Anytime Bank transaction, F&M is authorized to charge the overdraft as a Bank Card cash advance, with applicable finance charges. If such charge is within the customer's available Bank Card credit limit. If sufficient Bank Card credit is not available, F&M will make an overdraft charge.
5. F&M shall incur no liability for failure of the Anytime Bank feature to function due to mechanical failure, improper input by the customer(s) or otherwise.
6. All deposits or bill payments are accepted subject to verification by F&M.

BUSINESS REPLY MAIL
No Postage Necessary if Mailed
in the United States


POSTAGE WILL BE PAID BY
BANK CARD CENTER
Post Office Box 11125
Richmond, Virginia 23230

FIRST C
Permit No
Richmond

305

SOME BANKS OFFER ONLY MASTER CHARGE. OTHERS ONLY VISA. VIRGINIA NATIONAL OFFERS BOTH.

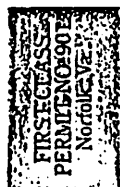
If you can't decide between Master Charge and Visa, you may be holding the answer in your hand. Virginia National's Two-In-One Application lets you apply for both cards at the same time.

Of course, you can use the same application to apply for just one card as well. But when you carry both, you'll know you're covered just about anywhere you go. Wherever you see the blue, white and gold Visa sign. Or the Master Charge or Interbank  symbol. In every state and most countries around the world. **All The Credit Cards You'll Ever Need.** Whether you're holding Master Charge, Visa, or both, you're practically holding all the cards.

You've got instant credit. That's obvious. But you're also good for an on-the-spot loan of \$50 or more, up to your credit limit, at any VNB office statewide.

And, if you qualify for Ready Reserve checking, you can even exceed your checking account balance, up to your credit limit, and we'll transfer money in amounts of \$100 to your VNB checking account.

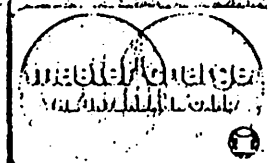
Apply Now. Even If You Don't Have An Account With Us. The cards are free. The application's postage paid. So take a minute to fill it out and drop it in the mail. It's the easiest way going to get all the credit cards you'll ever need.



BUSINESS REPLY MAIL
NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

POSTAGE WILL BE PAID BY

VIRGINIA NATIONAL BANK
P.O. BOX 1429
NORFOLK, VIRGINIA 23501



COMBINED APPLICATION

 VIRGINIA NATIONAL BANK

MOISTEN HERE - SEAL AND MAIL

VISA AND MASTER CHARGE APPLICATION



VISA CREDIT LIMIT DESIRED \$600 _____ \$600 _____ \$1,000 _____ OTHER \$ _____	BANK USE ONLY SOURCE _____ VISA C/L _____ MCC/L _____ NO. CARDS VISA _____ MC _____ CYCLE _____ EXP. _____ MER = _____ AMT _____ P.O. = _____ CIF = _____ OFC = _____ INIT. _____	CPS
MASTER CHARGE CREDIT LIMIT DESIRED \$600 _____ \$800 _____ \$1,000 _____ OTHER \$ _____		
MY/OUR CURRENT MASTER CHARGE CARD NO IS = _____		
MY/OUR CURRENT VISA CARD NO IS = _____		

FIRST NAME	INITIAL	LAST	DATE OF BIRTH
SOCIAL SECURITY #		PHONE #	NO. OF DEPENDENTS
STREET ADDRESS		CITY	
STATE	ZIP	HOW LONG YRS.	MOS.
NAME LANDLORD - MORTGAGE CO.	RENT PAYMENT \$ & MO	MORTG. PAYMENT \$ & MO.	
FORMER STREET ADDRESS	CITY	STATE	ZIP
NEAREST RELATIVE NOT LIVING WITH YOU		RELATIONSHIP	
STREET ADDRESS	CITY	STATE	ZIP
PRESENT EMPLOYER - IF MILITARY INDICATE BRANCH/ESTIMATED TIME OF SEPARATION			
STREET ADDRESS	CITY	STATE	ZIP
POSITION (RANK/RATE/PAY GRADE)		HOW LONG YRS.	MO
AREA CODE - PH. NO	SALARY \$ MO	OTHER INCOME \$ MO	
*YOU NEED NOT REVEAL INCOME FROM ALIMONY, CHILD SUPPORT OR SEPARATE MAINTENANCE PAYMENTS IF YOU DO NOT WISH TO HAVE IT CONSIDERED AS A BASIS FOR REPAYING THE CREDIT REQUESTED			
YOUR BANK NAME - LOCATION			
CHECKING ACCOUNT NO.	SAVINGS ACCOUNT NO.		
CAR/MAKE	YEAR	FINANCED BY	MONTHLY PAYMENT \$ & MO.
CREDIT UNION REFERENCE (NAME CREDIT UNION)			

RELATIONSHIP	<input type="checkbox"/> SAVINGS <input type="checkbox"/> LOAN	MONTHLY LOAN PAYMENT \$
HAS EITHER APPLICANT EVER BEEN ADJUDGED A BANKRUPT OR HAVE ANY JUDGMENTS, REPOSSESSIONS, GARNISHMENTS OR OTHER LEGAL PROCEEDINGS EVER BEEN FILED AGAINST YOU? YES <input type="checkbox"/> NO <input type="checkbox"/>		

LIST ALL DEBTS (IF NONE OWING LIST PAID ACCOUNTS FOR REFERENCE. ATTACH SHEET IF MORE SPACE IS REQUIRED)			
REFERENCES NAME AND ADDRESS	COMPLETE ACCT #	BALANCE AMT	MONTHLY PAYMENT
		\$	\$
		\$	\$
		\$	\$

IF CO-APPLICATION, PLEASE COMPLETE BELOW:		IF YOU WISH US TO CONSIDER INFORMATION IN ADDITION TO THAT LISTED BELOW ATTACH A SEPARATE SHEET OR COMPLETE A SEPARATE APPLICATION	
LAST NAME	FIRST NAME	INITIAL	
RELATIONSHIP TO APPLICANT <input type="checkbox"/> SPOUSE <input type="checkbox"/> OTHER	SPECIFY		
EMPLOYER	POSITION OR RANK	SALARY MO.	PHONE #

PLEASE READ CAREFULLY BEFORE SIGNING: THE UNDERSIGNED CERTIFY THAT THE FOREGOING INFORMATION HAS BEEN SUPPLIED TRUTHFULLY, ACCURATELY AND VOLUNTARILY AND AUTHORIZE VIRGINIA NATIONAL BANK TO INVESTIGATE MY/OUR EMPLOYMENT, CREDIT WORTHINESS, CREDIT HISTORY AND FINANCIAL RESPONSIBILITY THROUGH EMPLOYER'S CREDIT BUREAU'S, OR BY ANY OTHER REASONABLE MEANS INCLUDING DIRECT CONTACT WITH PAST AND PRESENT EMPLOYER'S AND CREDITORS. THE UNDERSIGNED ALSO AUTHORIZE BANKS AND OTHER FINANCIAL INSTITUTIONS TO GIVE INFORMATION TO THIS BANK. THE UNDERSIGNED AGREE TO ABIDE BY THE VIRGINIA NATIONAL BANK MASTER CHARGE AND VISA RULES & REGULATIONS AND OPERATING PROCEDURES.

SIGNATURE OF APPLICANT	DATE
SIGNATURE OF CO-APPLICANT	DATE
WILL SPOUSE OF APPLICANT OR CO-APPLICANT BE AUTHORIZED TO USE THIS ACCOUNT? YES _____ NO _____	
IF YES, NAME(S) OF SPOUSE(S) SHOULD BE INDICATED IN THE FOLLOWING SPACE(S):	

APPLICANT'S SPOUSE	CO-APPLICANT'S SPOUSE
--------------------	-----------------------

IMPORTANT: READ THESE DIRECTIONS BEFORE COMPLETING APPLICATION
 IF NECESSARY, PLEASE PRINT, FILL IN ALL SPACES, INDICATE IF A SPACE NOT APPLICABLE

MASTER CHARGE APPLICATION

<input type="checkbox"/> INDIVIDUAL ACCOUNT: This is an application for an individual account and you are relying on your own income and not the income or assets of a spouse (or another person) as a basis for the application. <input type="checkbox"/> JOINT ACCOUNT: This is an application for a joint account and you are relying on the income or assets of both you and your spouse (or another person) as a basis for the application.		BIRTH DATE: _____ APPROVED BY: _____ 1234567890 C.L. 3456781012 NO. 1234 Type 78																										
FIRST NAME: _____ LAST NAME: _____ AGE: _____		CITY: _____ STATE: _____ ZIP: _____																										
STREET ADDRESS: _____ CITY: _____ STATE: _____ ZIP: _____		APPLICANT'S SOCIAL SECURITY No: _____																										
TELEPHONE No: _____ BUSINESS TELEPHONE: _____		AGES OF DEPENDENTS: _____ APPLICANT'S ADDRESS LESS THAN 2 YEARS GIVE FORMER ADDRESS: _____																										
EMPLOYED BY: _____ POSITION: _____ YEARS: _____ ADDRESS: _____ CITY AND STATE: _____ BUSINESS TELEPHONE: _____		EMPLOYED BY: _____ POSITION: _____ YEARS: _____ ADDRESS: _____ CITY AND STATE: _____ BUSINESS TELEPHONE: _____																										
CO-APPLICANT'S NAME: _____ CO-APPLICANT'S ADDRESS: _____ CITY: _____ STATE: _____ ZIP: _____		CO-APPLICANT'S AGE: _____ TELEPHONE No: _____ BUSINESS TELEPHONE: _____																										
CO-APPLICANT'S EMPLOYER: _____ POSITION: _____ YEARS: _____ ADDRESS: _____ CITY AND STATE: _____ BUSINESS TELEPHONE: _____		CO-APPLICANT'S EMPLOYER: _____ POSITION: _____ YEARS: _____ ADDRESS: _____ CITY AND STATE: _____ BUSINESS TELEPHONE: _____																										
LIST INCOME -- Income from salary, child support or maintenance payments need not be disclosed unless applicant(s) wishes to rely on such income in whole or in part for this application. If so disclosed, the nature and source of such income should be described.																												
APPLICANT'S INCOME: _____ OTHER INCOME AND SOURCES: _____ CO-APPLICANT'S INCOME: _____ OTHER INCOME AND SOURCES: _____																												
ATTACH ADDITIONAL SHEET IF NECESSARY LIST ASSETS INDICATED AND CURRENT OBLIGATIONS AND PAST TRADE REFERENCES:																												
<table border="1"> <thead> <tr> <th>ASSET</th> <th>ADDRESS</th> <th>VALUE</th> <th>PRESENT BALANCE</th> <th>MONTHLY PAYMENT</th> </tr> </thead> <tbody> <tr> <td>1. AUTOMOBILE: _____</td> <td>FINANCED BY AND ADDRESS: _____</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2. CREDIT CARD (OR OTHER CREDIT) No: _____</td> <td>ADDRESS: _____</td> <td>ACCT No: _____</td> <td></td> <td></td> </tr> <tr> <td>3. MASTER CHARGE (OR OTHER CREDIT) No: _____</td> <td>ADDRESS: _____</td> <td>ACCT No: _____</td> <td></td> <td></td> </tr> <tr> <td>4. OTHER: _____</td> <td>ADDRESS: _____</td> <td>ACCT No: _____</td> <td></td> <td></td> </tr> </tbody> </table>				ASSET	ADDRESS	VALUE	PRESENT BALANCE	MONTHLY PAYMENT	1. AUTOMOBILE: _____	FINANCED BY AND ADDRESS: _____				2. CREDIT CARD (OR OTHER CREDIT) No: _____	ADDRESS: _____	ACCT No: _____			3. MASTER CHARGE (OR OTHER CREDIT) No: _____	ADDRESS: _____	ACCT No: _____			4. OTHER: _____	ADDRESS: _____	ACCT No: _____		
ASSET	ADDRESS	VALUE	PRESENT BALANCE	MONTHLY PAYMENT																								
1. AUTOMOBILE: _____	FINANCED BY AND ADDRESS: _____																											
2. CREDIT CARD (OR OTHER CREDIT) No: _____	ADDRESS: _____	ACCT No: _____																										
3. MASTER CHARGE (OR OTHER CREDIT) No: _____	ADDRESS: _____	ACCT No: _____																										
4. OTHER: _____	ADDRESS: _____	ACCT No: _____																										
TOTAL OF ALL DEBTS AND MONTHLY PAYMENTS: \$ _____																												
CHECKING ACCOUNT No: _____ BANK: _____ LOCATION: _____ SAVINGS ACCOUNT No: _____ BALANCE: _____ BANK: _____ LOCATION: _____																												

EXTENDED BANKING SERVICE: AUTOMATIC TELLER MACHINES

Upon receipt of your card, you will be able to obtain a cash advance on your Master Charge account 24 hours a day by using automatic teller machines installed at a number of our First Virginia Member Banking offices. You may also use your card and the automatic teller machines to make deposits and withdrawals from your First Virginia checking account or savings account. For these additional banking services, please check the blocks applicable and write your First Virginia Bank account number in the space provided:

Checking Account Number _____
 (from bottom of check)

☐ Savings Account Number _____

(Client Bankbook not eligible)

I/we hereby consent to the necessary credit investigation in connection with this application and grant permission for its retention. I/we warrant that all information contained in this application is true and complete.

I/we certify that I/we have been given and have retained a single written Disclosure Statement containing all the disclosures required by law and have read the First Virginia Master Charge Customer Agreement. I/we am/are aware of, and agree to be bound by, the terms of the Disclosure Statement and the Customer Agreement which appears on the reverse side.

Applicant's Signature _____

Date _____

Co-Applicant's Signature _____

Date _____

BUSINESS REPLY MAIL

No Postage Stamp Necessary if Mailed in the United States

Postage will be paid by:

FIRST VIRGINIA BANK COLONIAL
 P.O. Box 24507
 Richmond, Virginia 23224

FIRST CLASS

PERMIT No. 371791

Richmond, Virginia

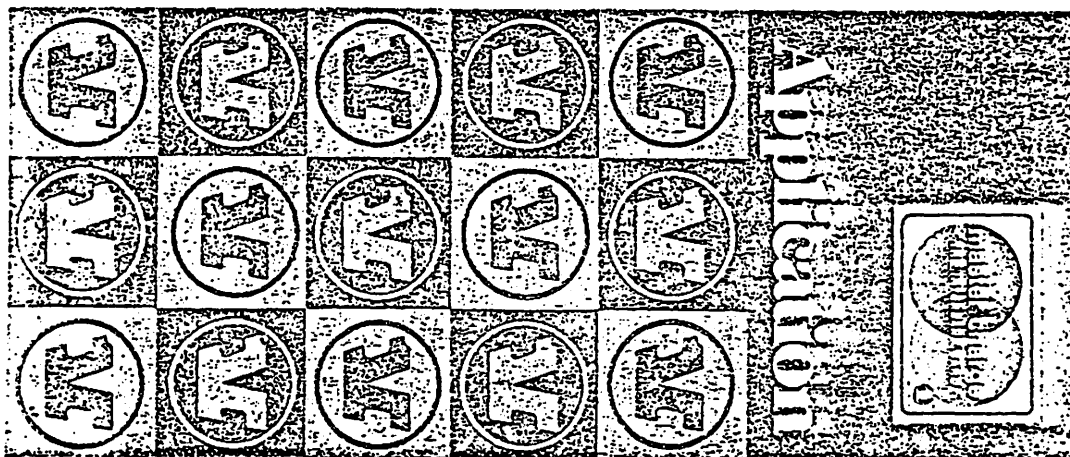
The Balance, owing on your account, including accrued FINANCE CHARGES on cash advances to date of full payment, may be paid at any time without incurring additional charges. In the event you fail to comply with the minimum payment requirement set forth herein, or otherwise default under the terms of the Customer Agreement, a late charge of 5% of the "amount due" within seven (7) days after the statement billing date (printed on the customer's last statement), and collection costs, including reasonable attorney's fees of 20% may be imposed in addition to the regular finance charges. When the balance is paid in full, the account will be closed.

ADDITIONAL PROVISIONS OF AGREEMENT APPLICABLE TO HOLDERS REQUESTING CARD FOR USE WITH AUTOMATIC TELLER MACHINE FOR EXTENDED BANKING SERVICES:

(D) Bank makes no claim or warranties with respect to the proper functioning of the automatic teller machine and shall not be responsible or liable if the machine at any time fails to dispense cash or otherwise functions improperly or for any act or omission in connection with the card or machine.

MASTER CHARGE.

Now Your First Virginia Member Bank has



Payment Schedule and finance charges as set forth below:

GENERAL

DISCLOSURE STATEMENT

EXHIBIT NO.23

NATIONAL CONSUMER INSTALLMENT CREDIT
TOTAL OUTSTANDINGS
(Millions of Dollars)

Holder, and type of credit	1975	1976	1977	Sept. 1978	Increase 12/31/75 - 9/30/78
Total.....	164,955	185,489	216,572	246,056	49%
By holder:					
Commercial banks.....	78,667	89,511	103,291	121,519	54%
Finance companies.....	35,994	38,639	44,015	49,673	38%
Credit unions.....	25,666	30,546	37,036	43,747	70%
Retailers ¹	18,002	19,052	21,082	20,872	16%
Others ²	6,626	7,741	9,149	10,245	54%
By type of credit:					
Automobile.....	55,879	65,116	79,352	94,268	
Commercial banks.....	31,553	37,984	46,119	54,803	
Indirect.....	18,353	21,176	25,370	30,566	
Direct.....	13,200	16,808	20,749	24,237	
Finance companies.....	11,155	12,489	14,263	17,069	
Credit unions.....	12,741	15,163	18,385	21,719	
Others.....	430	480	585	677	
Mobile homes.....	14,423	14,572	15,014	15,690	
Commercial banks.....	8,649	8,734	8,862	9,169	
Finance companies.....	3,451	3,273	3,109	3,152	
Home improvement.....	9,425	10,990	12,952	14,905	
Commercial banks.....	4,965	5,534	6,473	7,472	
Revolving credit:					
Bank credit cards.....	9,501	11,351	14,262	16,371	72%
Bank check credit.....	2,810	3,041	3,724	4,241	51%
All other.....	72,937	79,418	91,259	100,581	
Commercial banks, total.....	21,188	22,847	25,850	29,463	
Personal loans.....	14,629	15,669	17,740	19,871	
Finance companies, total.....	21,218	22,749	26,498	29,249	
Personal loans.....	17,263	18,554	21,302	23,569	
Credit unions.....	10,754	12,799	15,518	18,326	
Retailers.....	18,002	19,052	21,082	20,872	
Others.....	1,755	1,971	2,321	2,671	

Source: Federal Reserve Bulletin, November, 1978.

BANK CREDIT CARD USAGE IN VIRGINIA

<u>Quarter Ending</u>	<u>Total Outstandings Last Day of Quarter</u>	<u>No. of Cards Billed During Final Month of Quarter</u>	<u>Cash Advances in Quarter</u>
12/31/78	\$616,933,356	1,385,597	\$ 33,998,049
9/30/78	523,945,684	1,288,659	34,092,735
6/30/78	511,587,429	1,273,665	30,606,691
3/31/78	483,658,995	1,490,304	28,468,491
12/31/77	489,810,474	1,198,744	30,416,135
9/30/77	421,705,402	1,080,261	29,646,543
6/30/77	383,659,000	1,023,767	28,382,785
3/31/77	368,086,416	983,028	22,429,210
12/31/76	374,846,177	975,284	25,132,467
9/30/76	334,112,758	949,453	24,066,481
6/30/76	383,659,000	910,023	21,137,246
3/31/76	368,086,416	891,065	18,541,189