

“We respond to needs in a practical way. We don't start with a set of rigid rules.”

**GRAND OPENING!
UNION STATE BANK**



... and you are invited to their big Open House:

Sat., Mar. 27 — 9:00 A.M. to 12:00 noon — Senator Hubert Humphrey will officiate at opening ceremonies.

Mon., Mar. 29 — through Sat., Apr. 3 — 9:00 A.M. to 3:00 P.M.

Minnesota's first labor-owned bank will open for business with a week-long public open house, beginning at 9 A.M. tomorrow, March 27.

FREE COLORED PORTRAIT!
Make a date for a free 8" X 10" colored portrait (family or individual)

The new full-service state bank is totally owned by seventeen Twin City Area Labor Unions and individual members representing over 30,000 workers. Harmon T. Ogdahl, President, stated that the idea of a Union owned bank in the Twin Cities first started 20 years ago and that the new bank has been in the planning stage for the past three years.

“We are confident,” Ogdahl declared, “that the Union State Bank will fill a real need in the banking community. There are over a quarter of a million labor union members in the Metro area, and this will be a bank where the profits will be coming back to them because it is union-owned.”



312 Central Avenue N.E.
(At University Ave.)
338-3500



Harmon T. Ogdahl
President

Union State Bank to open Saturday

By Nick Coleman
Staff Writer

Union State Bank of Minneapolis, a commercial bank owned by 17 local unions, will open officially for business Saturday in the new Union Labor Center, 312 Central Av. NE.

The bank, which has been capitalized at \$1.5-million, will be the fourth union-owned commercial bank in the nation, and it will be the only bank owned by a group of unions. (The three others, in New York, Chicago, and Washington, D.C., are owned by large, single unions.)

President Harmon Ogdahl said Monday that the new bank “has been the dream of labor in this community” and will try to “help people in the labor movement by promoting projects which will create employment for those people whose unions are sponsoring the bank as shareholders.”

Unions with part ownership in the bank, he said, include such construction unions as the boilermakers, cement masons, operating engineers, sheet metal workers, pipefitters, and painters and decorators. The bank's board of directors will also include representatives of the Minneapolis Building and Construction Trades Council, the firefighters union and the Communication Workers of America.

Bank officials had estimated originally that the bank would have \$10 million in assets within three years. But the Federal Deposit Insurance Corp. (FDIC) thinks it will do better than that and reach \$15 million in assets within three years. The higher estimate meant that the bank had to increase its capitalization from the \$1 million planned at first to \$1.5 million, delaying its

opening for several months.

Ogdahl, an Independent-Republican state senator from Minneapolis, said the bank will attempt to finance construction projects that will benefit local labor unions. But he said that it will be careful in its lending policies to avoid problem real-estate investments that have shaken much larger lending institutions.

“If we had two applications for loans and couldn't make both, we might pick the one that would generate more jobs,” he said. “But the underwriting has to be solid. We don't want flimsy loans.”

Ogdahl said the bank will not be able to finance large projects in its early years because it is starting with a limit of \$200,000 on individual loans. That ceiling, he said, will be increased as the bank builds up its assets.

“We have to crawl before we walk and walk before we run,” he said.

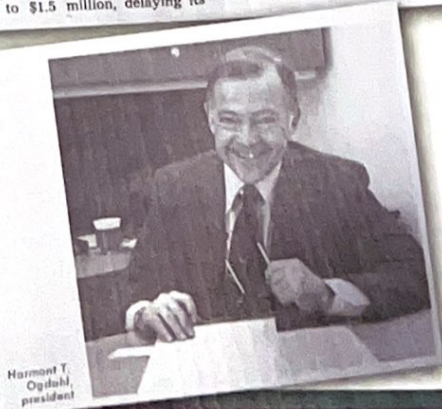
Ogdahl said that the unions will solicit their members to support the bank, and that the bank plans to operate during special hours to accommodate union members working various shifts. But the bank, he said, also hopes to attract business from people not affiliated with the unions that own the bank.

Stock is owned by more than 100 individual shareholders in addition to the 17 unions.

Saturday's grand opening will be held in conjunction with opening ceremonies for the Union Labor Center. An open house will be held from 9 a.m. to noon, and will be attended by Sen. Hubert H. Humphrey. The public is invited.



Board of Directors



Harmon T. Ogdahl, president