

NADINE HAYWARD
20 Foresters Lane
Springfield, IL 62704
(217) 698-1517

August 12, 1998

Federal Reserve Bank of Chicago
C/o Ms. Alicia Williams
Vice President Community Affairs
230 S. LaSalle St.
Chicago, IL 60604

RE: Testimony of Ms. Nadine Hayward in the negative, regarding the proposed Merger of Banc One Corporation and First Chicago NBD.

Dear Board of Governors and fellow panel presenters:

Thank you for this opportunity to testify in writing; I work as a medical technician for a group of physicians in Springfield, Illinois and my work schedule has made it difficult to be present for so brief an appearance. I trust my comments will not be discounted because I am unable to be present in person to testify.

I am not very clear about the role that the Federal Reserve Board plays in regulating banks, but I understand the issue before you is whether a merger of Bank One and First Chicago Bank should be permitted. I am however very certain of this: that my experience, resulting directly from the prior merger of Springfield Marine Bank and Bank One should not be permitted to happen to anyone else. Unless safeguards are provided or commitments received to avoid my experience than

I suggest this proposed merger must be blocked. Please allow me to explain.

Springfield Marine Bank was the oldest bank in Illinois. Indeed the old Marine Bank proudly displayed Springfield's favorite son, Abraham Lincoln, on its checking account. In 1988 my employers offered me participation in a pension plan and in a profit sharing plan. These plans were entrusted to the Springfield Marine Bank for their administration. I saw these plans as a way to save for my future and my eventual retirement.

I am not sophisticated in these matters, but when the plans were offered to me I obtained the necessary advice to direct the Bank (in writing) as to my investment choices and preferences. I directed the Bank in 1988 to invest all of my money into the stock market. After Springfield Marine Bank was purchased by Bank One someone in the trust department at Bank One, without my written or oral permission, and without my knowledge, switched all my investments from the stock market into a money market account. They just switched it.

I married Mark Hayward in 1997; Mark is more knowledgeable about these things and in reviewing my accounts he noticed the switch. We complained to the local trust office at Bank One. Our complaint fell on deaf ears for some time. Finally, in late 1997 my pension plan investments were switched back into the stock fund from the money market fund. Since then we have been seeking to have the Bank accept responsibility for its actions and to make restitution for improperly investing my monies contrary to my direction.

We read the papers and have become aware that in the years during which my money was invested in money market funds that stocks have doubled and tripled in value and more. Because of the wrongful switch I have missed that opportunity. I have had my retirement monies cut short.

When Mark and I tried to find out exactly what happened the local office would not respond. We were eventually referred to an attorney in Columbus, Ohio, one Ronald Kladder, who took the position on behalf of the Bank that, "Bank One simply is not a fiduciary with respect to the investment of Plan Accounts."

When I began my participation I was advised that the Marine Bank (Bank One's predecessor) would be handling my account; I was instructed to direct the Bank as to my investment preferences; the documents were all on Bank One forms; my direction was to the Bank; and, I had no reason in the world to believe anything other than that the Bank was following my directions. I did not police the Bank's actions and did not notice the switch.

We continue to be told by Bank One, through its attorney, that it is and was *my responsibility* to insure that my pension monies were invested correctly. In effect the Bank blames me for its wrong doing. Why do I pay the Bank trust administrative fees if it is not a fiduciary and it is my responsibility to supervise the investment of my pension monies?

I testify here today not to complain of my individual problem, but in the hopes of sparing someone else this headache and heartache. Mark and I have hired an attorney and continue in our efforts to redress my situation. However, I testify here because I firmly believe that if this proposed merger is permitted the situation will multiply and worsen. As banks and their trust departments are allowed to grow larger and larger, they become more insensitive and non-responsive and it becomes more and more frustrating for working people like me to know that their matters have been properly attended. I am confident that my experience is not unique.

What assurances do working people have from the Federal Reserve Board that Bank One's merger with First Chicago won't result in trust departments that further

disclaim being a "fiduciary with respect to investment plan accounts," disavow plain fiduciary responsibilities and outrageously assert that it is the pension participant's own responsibility to see that his or her directions are followed? An even worse fear is that as the trust departments are allowed to get larger and larger that they become more and more adept and sophisticated in averting their responsibilities and wearing their customers down and out by more and more obscure justifications for not heeding the customer's directions and lawful responsibilities.

I urge that until sufficient and proper safeguards are in place to insure bank customer care and satisfaction that no merger be permitted. Thank you for allowing me to comment on this matter. I trust that this process will be more sensitive to my concerns and inquiries than the Bank has been in responding to my demands regarding my investment losses.

Sincerely,

A handwritten signature in cursive script that reads "Nadine Hayward". The signature is written in dark ink and is positioned above the typed name.

Ms. Nadine Hayward

Speech for Federal Reserve Board Hearing

My name is Larry Gigerich. I am President of Indianapolis Economic Development Corporation. Previously, I served as Senior Advisor to Mayor Stephen Goldsmith for Economic Development and Workforce Development. Indianapolis Economic Development Corporation is a private sector 501(c)6 organization founded in 1983 to serve the residents and businesses of the Indianapolis region through the creation and retention of good paying jobs, the attraction of capital investment and diversification of our economic base.

The Indianapolis region has enjoyed record economic growth during the past six years. The center city and region have both seen their population grow. Our unemployment rate has dropped from 6.2% to 2.4%, during this period – a thirty-five year low. The downtown area has seen large businesses moving into the business core. Companies such as; Emmis Broadcasting, USA Group, NCAA and Anthem have moved, or will soon move, operations into our downtown area during this period – providing over 3,000 jobs. Other downtown projects, such as: Circle Centre Mall, the Conseco Fieldhouse, Victory Field, White River State Park and the Canal Walk have all been developed during the past six years.

Our suburbs have also experienced tremendous growth. The airport area has been an incredible growth engine for Indianapolis. During the past six years United Airlines, ATA, FedEx and the U.S. Postal Service have added over 5,100 new jobs in the region

Indianapolis' greatest strength may be the public-private partnership philosophy that exists in our community. Dating back to the days of their predecessors, American Fletcher National Bank (Bank One) and Indiana National Bank (NBD-First Chicago) have played an active role in the economic development efforts of Indianapolis. In fact, the banks were among the founding members of Indianapolis Economic Development Corporation some fifteen years ago. From their investments in Circle Centre Mall, Conseco Fieldhouse, numerous amateur sports projects and facilities, the bringing of professional sports to Indianapolis, their investments and lending in the center city, and active participation in efforts to attract new companies to and keep companies in our region.

Throughout the Bank One-First Chicago-NBD merger process, both banks have been keenly aware of the potential economic impact of the merger in our region. Both banks to date have worked very closely with Mayor Stephen Goldsmith and the Indianapolis Economic Development Corporation, to maximize employee retention and growth, investments in the community, utilization of excess property and charitable and economic development contributions in Indianapolis and Central Indiana.

Thank you for your consideration.

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Sincerely,

A handwritten signature in black ink that reads "Nadine Hayward". The signature is written in a cursive style with a large, looping initial 'N'.

Ms. Nadine Hayward

MARSHALL PLAN FOR GARY

2700 Jackson Street, P.O. Box M-541, Gary, Indiana 46401
(219) 880-0118: Office, (219) 886-3690: Fax

August 13, 1998

Summary of Presentation made by Bennie Simmons, Jr., Founder, President and CEO, Marshall Plan for Gary (MPG), at the Federal Reserve Bank of Chicago, related to the Banc One Corporation merger with First Chicago NBD. (Some of the major problems are outlined below):

1. A request that was made by MPG to Bank One, Gary, Indiana, located on 6th Ave. and Broadway, for a copy of its most recent CRA report was questioned by one of its assistant bank managers. I was told that I would have to speak to the bank manager to obtain the report. I was unable to wait to see the bank manager.

Several days later I went to the Bank One branch located at 53rd and Broadway and made the same request. In response to my request, I was given a report dated April 19, 1995 which covered Bank One branches located in the Indianapolis area which did not include Gary and/or the Northwest Indiana areas. The result being that, to date, I have not been given the information I requested relative to CRA activities by Bank One in Gary, Indiana.

2. Millions of dollars are deposited into Bank One and First Chicago NBD by Gary's city government, the Gary school system, unions, churches, and Gary residents. Those millions of dollars are being used to finance loans in communities outside of Gary.

3. Racial discrimination in lending practices is a reality for most black citizens in Gary. When community leaders and residents protest to the banks in Gary about this discriminatory practice, the bank loan officers and committees render the protests as unwarranted complaints based on their reported CRA activities.

4. The economic blight and disinvestment can be seen between Bank One and First Chicago NBD which are less than two blocks apart. As you can see in the photographs (see Exhibit A), there is nothing but vacant lots, boarded up buildings and a few struggling small businesses located between 8th Ave. and 5th Ave. on Broadway. The economic depravity one block east and one block west of the above-mentioned banks can also be seen in the photographs in Exhibit A.

Summary of Presentation
Bennie Simmons, Jr.
Founder, President and CEO
Marshall Plan for Gary
August 13, 1998
Page 2

5. In contrast, looking at the pictures in Exhibit B, which includes pictures of the adjacent communities of Merrillville and Hobart, Indiana, you will see a successful, flourishing business community surrounding Bank One and First Chicago NBD. These banks have invested millions of dollars into these communities in mortgage and business loans, etc.

6. On the first of every month senior citizens in Gary stand in long lines to receive bank services. Bank One has seven (7) teller windows available at the 6th and Broadway branch location, where two (2) large senior citizen residential buildings are located. However, most frequently only two (2) windows are manned with tellers forcing the older citizens to stand in line for much too long a period of time.

7. When First Chicago and NBD merged, the only bank in midtown Gary, on Broadway where there are longstanding successful businesses was closed as a result of the bank merger. The community was angry, disenfranchised and inconvenienced. If this is an indication of the proposed Banc One Corporation and First Chicago NBD merger, then, as a result, the economic depravity of Gary, Indiana will continue to escalate.

In conclusion, given these facts, MPG is requesting that the Federal Reserve System withhold approval of the proposed Banc One Corporation and First Chicago NBD merger until such time that Banc One Corporation has complied with the MPG requests for contractual agreements for financial reinvestment in Gary, Indiana.

MARSHALL PLAN FOR GARY

**2700 Jackson Street, P.O. Box M-541, Gary, Indiana 46401
(219) 880-0118: Office, (219) 886-3690: Fax**

August 10, 1998

**Mr. John B. McCoy
President and CEO
Banc One Corporation
Department H1-0158
100 East Broad Street
Columbus, Ohio 43271**

Dear Mr. McCoy:

The Marshall Plan for Gary (MPG) is requesting that Banc One Corporation address the needs of the Gary community and give serious consideration to the MPG's proposal for solutions to the problems that presently exist in Gary, Indiana as it relates to banking.

MPG is requesting that Banc One Corporation:

1. Banc One is presently advertising in its Northwest Indiana branch banks that it has revenues totaling \$2 billion dollars available for lending. MPG is asking that \$1 billion dollars be designated for lending and community reinvestment projects in the City of Gary over a period of eight years to begin in of 1998.

The \$1 billion dollars should be targeted for student loans, mortgage lending, small business loans, franchise loans, and reinvesting dollars back into the community, as well as loans for export/import businesses. Also grants should be given to local community development corporations and for educational scholarships for Gary residents.

2. On the first of every month senior citizens in Gary stand in long lines to receive bank services. Bank One has seven (7) teller windows available at the 6th and Broadway branch location. However, most frequently only two (2) windows are manned with tellers forcing the seniors to stand in line for much too long a period of time. Therefore, we are requesting that you do not close this branch and that during the first of the month all teller windows are manned.

3. We are asking Banc One Corporation to establish a direct working relationship with MPG and designate a Banc One liaison who has the authority to make decisions and to expedite our requests in this document.

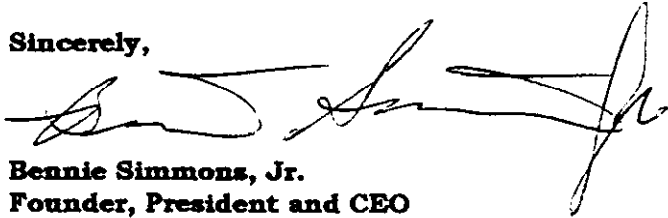
4. We are asking Banc One Corporation to collaborate with MPG to negotiate and develop a "second chance scoring system" for those who are disqualified by not scoring high enough under the existing scoring system.

5. We are requesting Banc One Corporation to develop a contract with MPG establishing MPG as the executor/administrator of this lending and reinvestment program. We are also asking the Federal Reserve to monitor all agreements made throughout the contractual period.

Mr. John B. McCoy
President and CEO
Banc One Corporation
August 9, 1998
Page 2

We are looking forward to your immediate attention and response to this request.

Sincerely,



Bennie Simmons, Jr.
Founder, President and CEO
Marshall Plan for Gary
2700 Jackson Street
P.O. M-541
Gary, Indiana 46401
(219) 880-0118: Office
(219) 886-3690: Fax

xc: Steven A. Bennett
Verne Istock
Daniel P. Cooney
Joe Barnett
Bank One-Merrillville
Federal Reserve System
President William Clinton

July 9, 1998

Board of Governors of the Federal Reserve System
Attn: Mr. William W. Wiles, Secretary
20th Street and Constitution Avenue
Washington, D.C. 20551

RE: ATTACHED PETITION AND HEARING REQUEST IN OPPOSITON TO
BANC ONE CORPORATION'S PROPOSED ACQUISITION OF FIRST
CHICAGO NBD AND ITS SUBSIDIARIES AND ALL RELATED APPLICATIONS
AND NOTICES

Dear Secretary Wiles and others at the FRB:

On behalf of the Marshall Plan for Gary and its members and affiliates and business owners, attached please find a timely comment opposing and requesting hearings on Banc One Corporation's (Banc One's) proposed acquisition of First Chicago NDB and its banking and non-banking subsidiaries (First Chicago) and all related Applications and notices.

Banks are Billion Dollar corporations! Banks take billions of dollars of deposits from African Americans, Hispanics and poor people who live in the inner cities. They take deposits every week from churches in these cities and use that money to lend to businesses outside their neighborhoods and cities where, African Americans, Hispanics and poor people live. Our money is used to build other communities. Those businesses attract these consumers out of their neighborhoods and/or cities to buy merchandise not sold in their areas.

Businesses say they cannot locate in these neglected communities because there is too much crime. But Walgreens, medical centers, fast foods, liquor stores are all successful businesses which operate in these communities. Grocery stores owned by people from the Middle East, wigs and hair products retail stores owned by Koreans, and also cosmetic nail shops owned by Vietnamese all flourish and make incredible profits in African American, Hispanic and poor communities. While at the same time none of these businesses owners neither live nor shop in the communities where they own and operate these businesses which thrive off of African American, Hispanic and poor consumer dollars. Therefore there is only a one-way flow of revenue; and that is, immediately OUT OF THE COMMUNITIES WITH NO REINVESTMENT BACK INTO THE THESE COMMUNITIES. SO WE NEED BANKS TO LEND MONEY IN OUR AREAS TO THE PEOPLE LIVING IN THE COMMUNITY.

I am fifty years old, my father is seventy-five and we have lived in Gary, Indiana all of our lives. We have not seen banks make business loans to African Americans to enable them to open or expand their businesses on the same basis as they have loaned money to whites. IT'S NOT EVEN CLOSE! Bank One and First Chicago NBD have branches in the most blighted section of the city. Their bank branches are located adjacent to abandoned and burnt out buildings. Their main interest is in collecting money. An example of their insensitivity towards Gary resident is seen at the first of the month when senior citizens stand in long lines where there are six (6) windows available, but only one or two of the windows are manned with tellers.

So our money is not being invested in our community . I'm not necessarily talking about investments in housing developments (even though that is important and should not be neglected). If a person had a successful business or a good job, he could afford to buy a house. What I'm specifically speaking of is banks lending money to start

up businesses, franchises, and for expanding existing businesses to minorities who want to or already own and operate businesses in their communities. I am referring to communities such as Gary, Indiana and the west side of Chicago. These are two areas I am very familiar with. They have about the same population, same crime rate and same rate of attrition of people leaving because of lack of available jobs or business opportunities because banks won't lend to help build the community.

Bank One and First Chicago NBD, who make billions of dollars, claim to be doing a great job in cities like Gary, Indiana and communities like the west side of Chicago. But go there and see with your own eyes how business people who have been struggling for years, working hard and can't get a business loan. These fine people who have the spirit of Sam Walton of Wal-Mart can't get integrity loans, and yet they are hard working people.

IT IS TIME that the federal government, regardless of which party, stop rubber stamping these large bank mergers at the expense of the poor and minority people in the inner cities. IT IS TIME that the federal government draw a line in the sand and let the Bank One, First Chicago merger not happen until there is a commitment made to the people of the community and its African American and/or Hispanic minority business owners. We want our concerns heard, addressed and a mutual agreement made before any merger takes place. IT IS TIME to stop all these bank mergers at the expense of the poor community residents and business owners.

Usually before banks merge they consolidate their departments, move their operations to their national or regional headquarters, and as a result minority community people lose jobs. Then after the merger takes place, branches close and more jobs are lost. But isn't it ironic how they maintain a few branches to take our deposits and then lend the money to businesses and homeowners in the suburbs or to downtown areas of big cities like Chicago.

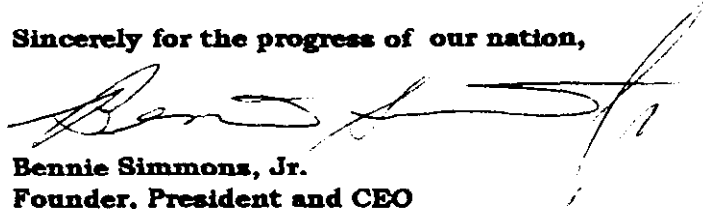
IT IS TIME for the federal government and federal reserve board to call a spade a spade and look at this problem from a logical, realistic, humanistic and moral standpoint. If a city or inner city looks like Europe at the end of World War II and it has been that way for years, and yet there are branch banks operating in these areas what criteria is used to get these banks good CRA ratings? Statistics show that African Americans and other community minorities do not apply for loans. This is because they have been disenfranchised and discouraged by unfair lending practices by the American banking industry for many decades. In order to remedy and address this injustice to minority Americans, before this merger is allowed to happen, Bank One and First Chicago NBD must meet with community groups and the African American and Hispanic minority business owners to make a contractual agreement to determine how much money will be set aside for student loans, mortgage lending, small business loans, franchise loans, and commitments for reinvesting dollars back into the community, as well as loans for export/import businesses. Also, grants should be given to local community development corporations.

Capitalism at its best is all inclusive. During reconstruction African Americans owned 134 banks and many small businesses. These banks loaned money to struggling white farmers. But in order for African Americans and Hispanics to be economically empowered, our government needs the spirit of Presidents Lincoln and Johnson. Let's do for Gary and the West Side of Chicago and other struggling American communities

July 9, 1998
Board of Governors of the Federal Reserve System
Page 3

what was done for Europe through the Marshall Plan. The question is what was the outcome of the Marshall Plan? It made Europe a capitalistic democracy and eventually tore down the walls of communism and made this world a better place for life, liberty and the pursuit of happiness.

Sincerely for the progress of our nation,



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(219) 880-0118: Office
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cc: President William Clinton
Chairman Alan Greenspan

July 9, 1998

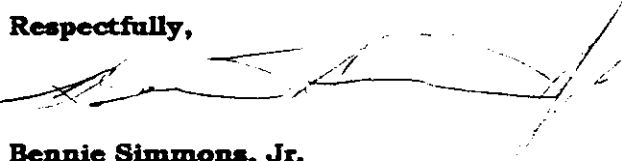
The Honorable William Clinton
President
United States of America
1600 Pennsylvania Avenue N.W.
Washington D. C., 20550

Dear President Clinton:

Enclosed is a copy of a protest written to Mr. William W. Wiles, Secretary of the Board of Governors of the Federal Reserve System. We are petitioning you to assist us in our efforts to request a public hearing regarding Banc One Corporation's proposed acquisition of First Chicago NBD and its subsidiaries.

This is a very critical and serious issue for the citizens of Gary, Indiana. Thank you for your interest in the welfare of our community. We are looking forward to hearing from you regarding this matter.

Respectfully,



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