

1965 ANNUAL REPORT

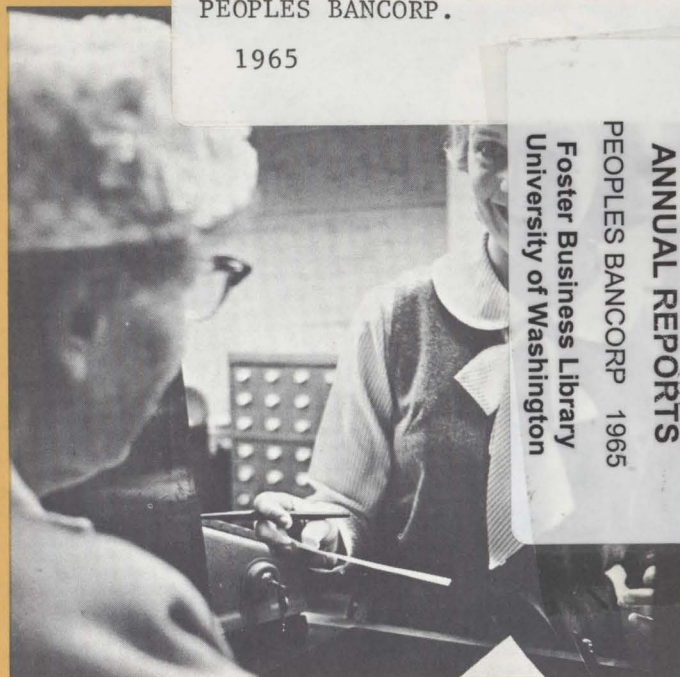


ANNUAL REPORT

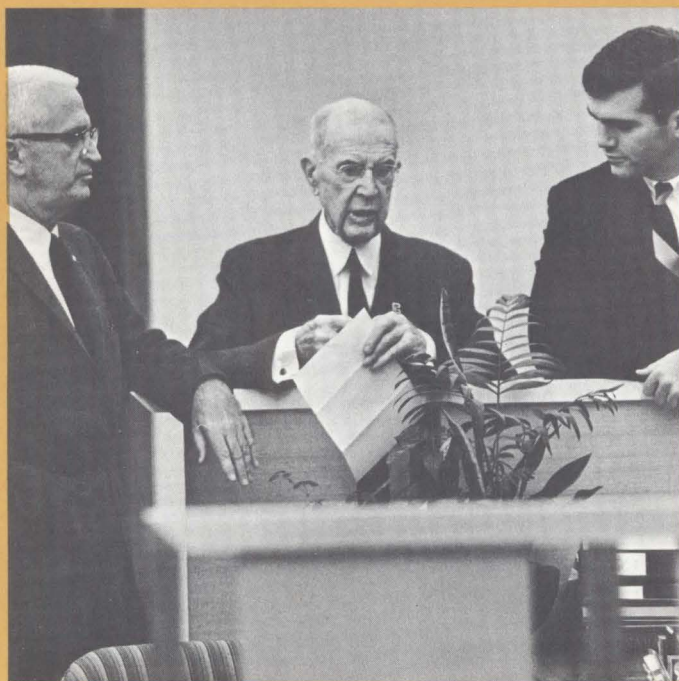
PEOPLES BANCORP.

1965

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BANKING IS PEOPLE



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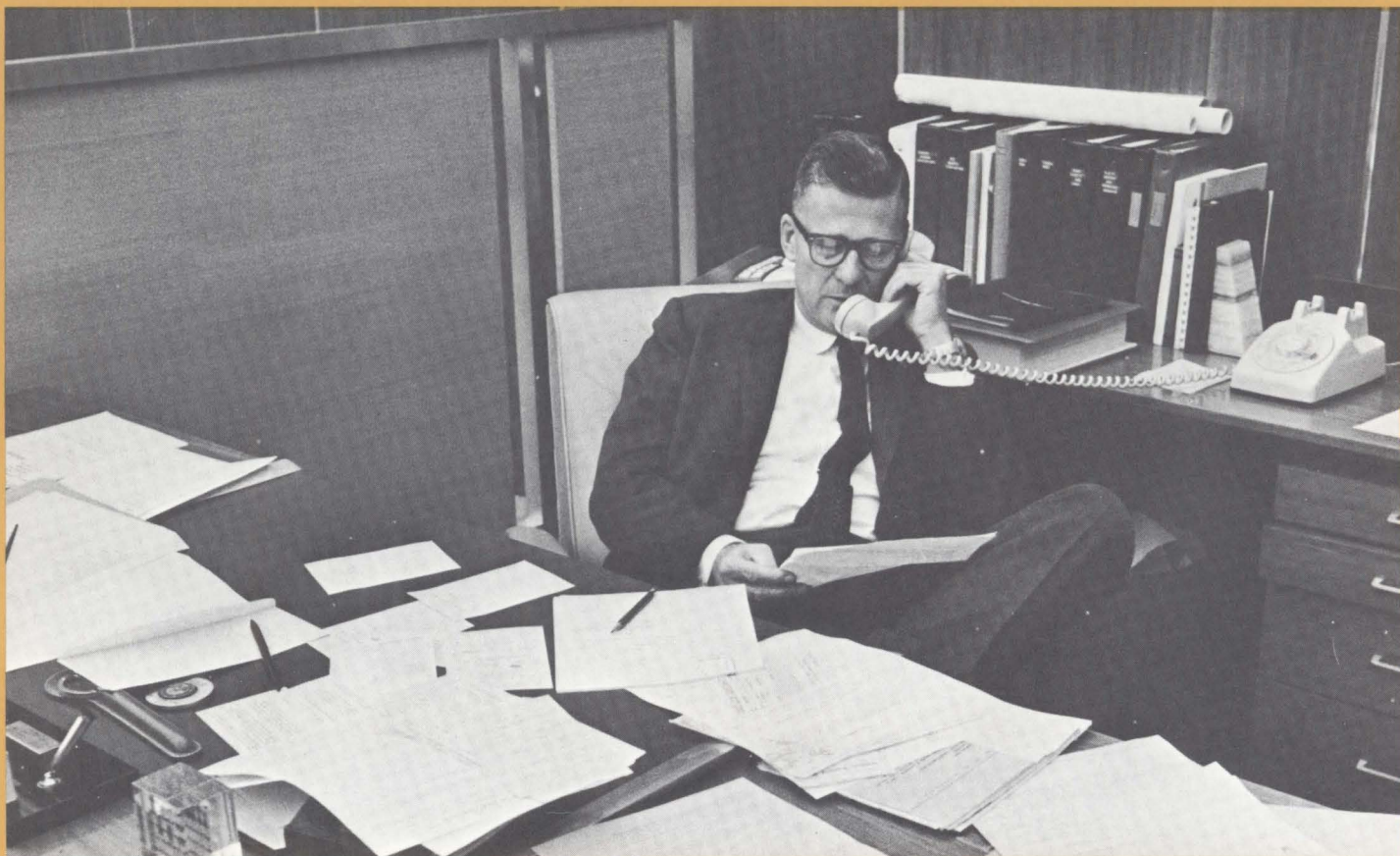
 AT PEOPLES BANKING IS TAKING CARE OF PEOPLE'S NEEDS



REPORT TO STOCKHOLDERS

Background — In the areas served by Peoples National Bank of Washington, the year 1965 established a record of moderate but healthy progress. Actually many of the statistical indicators registered larger percentage gains over 1964 than elsewhere on the Pacific Coast, but it must be recalled that the earlier year had not been an outstanding one for the state of Washington. The most satisfactory feature of the progress in 1965 was that it covered almost every phase of the region's economy. Aerospace, shipbuilding, forest products, agriculture, distributive services and even housing construction were healthier. It is only natural, therefore, that your bank registered gains in many indicators of growth.

Results — Deposits closed the year at \$297,358,000 and averaged \$274,590,000. The percentage gain over 1964 was 9.50 and 7.91 respectively. It must be pointed out however that most, or 79.27%, of the growth was in the less profitable savings and time deposit category. We maintained our traditional careful lending policy and feel gratified that we were able to invest an average of \$22,938,000 more in loans than in the previous year. Income from this source helped materially to offset the greatly increased cost of interest paid that resulted from the higher rates prevailing during the year on time deposits. Aside from Interest Expense which was up 32.12% over 1964, we held other costs to a gain of 6.82% compared to a gain of 9.14% in gross income. Costs were higher than normal because of the opening of five new branches during the year. Given time, these offices will proportionately increase income and thus offset the increase in costs which their operation requires. Net operating earnings are reported at \$2,002,669 or \$5.34 per share compared with \$2,024,424 and \$5.40 per share in 1964. We would like to have reported an increase in earnings to match the growth in deposits and loans, but considering all factors, we believe the year's operations were reasonably satisfactory and an addition to the potential of your investment.



... COUNSELING

Figures — You will notice that the form and the quantity of figures presented in the Comparative Statement of Condition and Statement of Earnings, found elsewhere in this Annual Report, differ somewhat from what has been our practice the last few years. Since 1940 your bank has provided, in its annual report, more information regarding the nature of its assets and liabilities and the results of its operations than was the practice with many other banks. We therefore welcomed recent moves to establish greater uniformity and minimum standards for a bank's report to its stockholders and have done our best to conform with suggestions of the Comptroller of the Currency and the Regulations of the Federal Reserve Board. We hope the new style will give you even more knowledge of your bank's position and activities and enable you to compare it more readily with other banking institutions. A word or two in explanation of some of the changes seems in order.

- (a) If you are comparing the figures for 1964, as reported here, with those given in last year's Annual Report, you will discover a difference of \$92,802 in the net operating earnings. This results from restating last year's figures to agree with the classification used in 1965. Several items previously handled as direct debits or credits to Undivided Profits will henceforth be treated as operating income or costs in the Statement of Earnings. The major factor involves the contribution to our Profit Sharing Fund which will now be considered as a cost of doing business instead of a charge against Undivided Profits. *See page 13.*
- (b) All securities are carried in the Statement of Condition at cost less amortization of premiums (if any). The item of Other Securities in 1965 consists principally of our ownership of \$510,000 in stock of the Federal Reserve Bank. In 1964 this figure was \$495,000. The remainder in each case would be government agency bonds. We have followed the practice of not accruing the discount on investment securities. Had we done so as to U. S. Government securities only, our net operating earnings would have been increased, after applicable tax allowance, by \$74,450 in 1964 and \$45,340 in 1965. The Investment Securities Reserve, as previously explained, represents largely the accrued discount, net after applicable taxes, actually realized on U. S. Government securities sold or matured in the last few years. The intention was to use this fund to minimize or eliminate the effect on Undivided Profits of losses which might some day be encountered when it was advantageous or necessary to sell bonds below carrying figures. Circumstances developed in 1965 which made it advantageous to take this very step, and

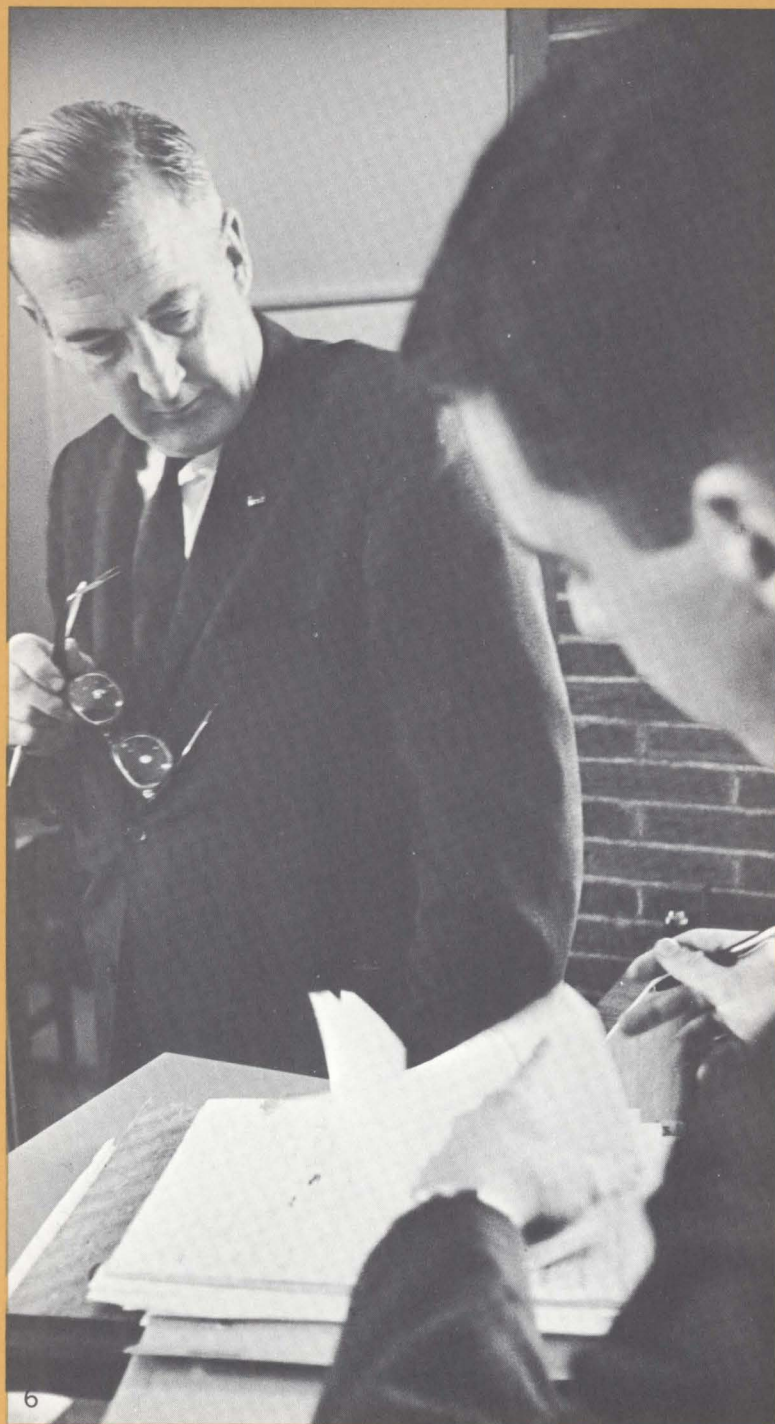
... DECIDING



you will observe the effect in the Statement of Changes in the Investment Securities Reserve. *See pages 14 and 17.*

- (c) The Statement of Changes in the Reserve for Possible Loan Losses is one of the new features of this Report. It clearly indicates the conservative approach being followed. Transfers to this reserve are substantially in excess of any amount currently needed to cover losses in loans. In 1965 the substantial increase in amount was made possible by the growth of the loan portfolio and the recently authorized increase in reserve percentage to 2.4% of loan portfolio. *See page 17.*
- (d) Bank premises and equipment are carried in the Balance Sheet at cost less amortization at the maximum rate permitted by I.R.S. regulations. Included in these figures is \$827,748 in 1965 and \$764,943 in 1964 carried as Other Real Estate which is almost entirely made up of property purchased for future expansion of our Main Office and some branches but which the bank is not yet actually occupying. *See page 14.*
- (e) During 1965 we acquired the three banking offices operated by Central Bank National Association in Tacoma. The Comptroller of the Currency requests that all assets, so acquired, come on our books at the same value as had been carried on the books of the selling bank regardless of current value or price paid. You will therefore find a charge to Undivided Profits of \$427,090 representing the difference between the price paid for the assets of Central Bank N. A. and the previous carrying value of those assets. The Comptroller of the Currency also requests that when a bank is sold, the purchasing bank increase its Capital and Surplus Accounts by an amount equal to the capital funds of the selling bank which were being eliminated. You will therefore note that we increased our Surplus Account \$500,000 during the year by a transfer from Undivided Profits. *See page 14.*

Investments — During the year the investment portfolio experienced little net growth as strong loan demands continued to absorb the greater share of the increase in deposits. At the year end the government bond account represented 14.84% of total assets; 61.67% due within twelve months and 87.90% within five years, with an average life of 1 year and 10 months. At year end the yield on this account of 3.95% compared with 3.81% a year ago. We have continued to add to our holdings of state and municipal bonds, and they now represent 10.48% of total assets as against 9.70% a year ago. The replacements and additions to the account increased the tax-exempt yield from 3.16% to 3.18% without extending



... SUPERVISING

its average life. United States Government obligations with face value of \$20,021,000 and \$17,116,000 in state and municipal bonds are pledged to secure public deposits and trust funds as provided by law.

Trust Department — The high standards and dedicated service of the trust personnel are becoming increasingly recognized, and continuing the trend of recent years, this department has again achieved record earnings. The number of appointments to serve as agent, trustee, or executor for individuals and their estates, as well as to act as bond trustee, as corporate paying agent, and as trustee under retirement programs for important business organizations, has reached an all-time high.

This increase has resulted from an expanded and more intensive business development program conducted by our trust officers and our commercial officers, coupled with the assistance given by our directors and shareholders in introducing to us potential new trust customers.

During the year 1966 we plan to establish resident trust officers in Moses Lake and Tacoma to better serve those communities and their surrounding areas.

We believe this rapid expansion of trust business will continue with the help of staff, directors and stockholders. We invite you to visit or call any of our branches so that arrangements can be made for one of our experienced trust officers to explain the benefits of the various services in our Trust Department.

Marketing and Business Development — There was a definite increase in the number of calls made by officers of your bank on both customers and prospective customers. In connection with the opening of the three new branches in Tacoma and two in Seattle, an effort was made to call on all businesses adjacent to these branches. Over 3,000 such business establishments and individuals were called upon. The Officer Call Clinic program for our own officer staff is continuing, and we were asked by the management of several of our correspondent banks to introduce this program to their officer staff. The employee Sales Development program showed the most substantial gain since it was established in number of pieces of new business obtained as well as in initial dollar deposit totals. An aggressive, well-planned advertising program was carried on throughout the year. A special direct mail promotion directed toward the "Key Customer" of your bank reached over 15,000 customers of the Installment Loan Department with excellent results. This promotion will be expanded in 1966.

... DETAILING



Expansion and Growth — The growth of your bank's physical facilities accelerated materially in 1965 with the opening of five new branches. Three of these were acquired in our deal with the Central Bank N. A., thus providing us the only Tacoma offices of any Seattle bank. The others are the new Broadway office at Broadway and East John Street in Seattle and the new Burien office at 14641 First Avenue South in Burien, Washington. These last two are adequately housed in new and most attractive buildings that are fully up to our desired standards. In Tacoma construction has been started on a new building to house the office at 24th and Pacific. We plan this as a particularly attractive office since it will affect our image in this important market and will serve for some time as our regional headquarters in Tacoma. Litigation has prevented, for the time being, the intended development of the new parking and drive-in addition to our Renton office. Construction of the new Hoquiam building was delayed by difficulties in negotiating for termination of a lease in effect on part of the property. The Soap Lake office was moved during November 1965 to new and better-located quarters which were very well received by the community at the Open House on November 1. We continue to investigate the most desirable utilization and development of our Main Office site, but the additional property we acquired is carrying itself and we are not under pressure to proceed until we decide exactly what we want.

Additional equipment is on order which will permit us to expand deposit accounting by computer to our offices in the Columbia Basin and Anacortes and Hoquiam. This should improve service and lower costs.

Operations — The crucial problem faced by banking today is the narrowing margin of profits caused by the higher cost of money at a time when tangible and intangible pressures are exerted to hold the line on rates available on loans and investments. This narrowing spread between income and expenses becomes more acute because of the generally increasing costs of doing business which all organizations are encountering. A great deal of attention has therefore been devoted in 1965 to "planning for growth and income" and stepped-up efforts for cost control. We can report progress in both our Profit Planning Program and in our Operations Analysis Program. The results of these efforts are slow in registering substantial gains, but we believe the coming year will provide increased evidence of the benefits from the work which has been going on. The ultimate effect of the increase in the discount rate by the Federal Reserve Board, which was announced as this is being written, is hard to forecast at this time.



... LEARNING

Personnel — Our efforts continue to employ and retain the best possible people on our staff, and in spite of the creation of 38 new staff positions as the result of opening two new offices and acquiring three already established banks, the total staff has only been increased by 21 — a total of 766.

The Operations Analysis Program through which we try to ascertain the number of people we really need to perform each task has helped keep the total payroll under control and still provide for individual salary increases.

We are proud of our policy of promoting from within the bank. During 1965 twenty young men and one woman received their first official titles.

An additional benefit has been made available to all officers and employees. Beginning in 1966, the vacation policy will be changed to permit three weeks leisure time for those having completed ten years' service and one month after 25 years. Many of the 83 members of the Twenty Year Club will share this benefit as will some 78 additional Peoples' people who have completed ten years' service.

Board of Directors — We feel fortunate that Garrett Eddy, President of Port Blakely Mill Company and Eddy Investment Company, has joined the Board of the bank. Mr. Eddy is very knowledgeable in the timber products industry and is currently serving as President of the Washington Forest Protection Association.

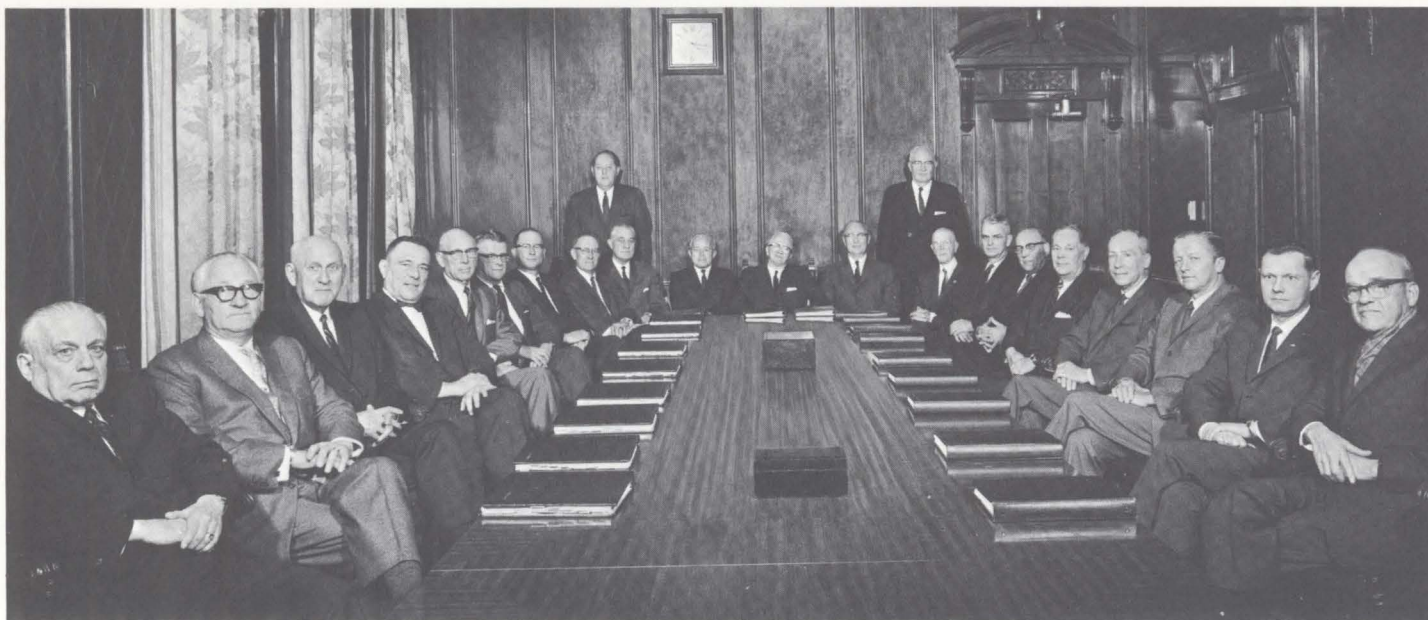
In keeping with policy established several years ago, the following directors terminate their services on the regular Board and join the bank's Advisory Board as of December 31, 1965:

C. H. CARLANDER
HOWARD H. HANSEN
C. L. YOST

Thanks — The management team of your bank is deeply indebted for the support that has been given its policies by the Directors, Stockholders, Employees and Customers. To them we say thank you and ask that this support continue. We welcome suggestions and comments which can help us all to do a better job for mutual benefits.



E. L. BLAINE, JR.
President



... PLANNING

DIRECTORS

JOSHUA GREEN Honorary Chairman of the Board

JOSHUA GREEN, JR. Chairman of the Board

BENNETT BALDY President,
Monte Cristo Investment Co.

M. L. BEAN Chairman of the Board,
Pay'n Save Corporation

WARREN H. BEAN Seattle

E. L. BLAINE, JR. President

R. G. BOURGAIZE Senior Vice-President

BEN E. BOWLING Vice-President and
General Manager, Washington-Idaho Area
Pacific Northwest Bell Telephone Co.

LOUIS K. BYE General Manager,
Sears, Roebuck and Co.

SIDNEY D. CAMPBELL President,
Foss Launch & Tug Co.

C. H. CARLANDER Chairman of the Board,
Puget Sound Freight Lines

KENNETH B. COLMAN Chairman of the Board,
Smith-Gandy Corporation

GEORGE K. COMSTOCK President,
Electrical Products Consolidated

GARRETT EDDY President, Eddy Investment Co.
President, Port Blakely Mill Co.

ALAN B. FERGUSON President,
Sicks' Rainier Brewing Co.

F. S. FOSTER F. G. Foster Co.

J. A. GREEN Senior Vice-President

HOWARD H. HANSEN Seattle

CECIL E. JENKS Seattle

THOMAS H. MACBRIDE Attorney at Law

CARL A. SCHAFER Montesano

P. A. STRACK Chairman, Executive Committee

WALTER L. WYCKOFF President,
Wyckoff Company

C. L. YOST Vice-Chairman of the Board

THOMAS H. YUELL President, Youell, Inc.

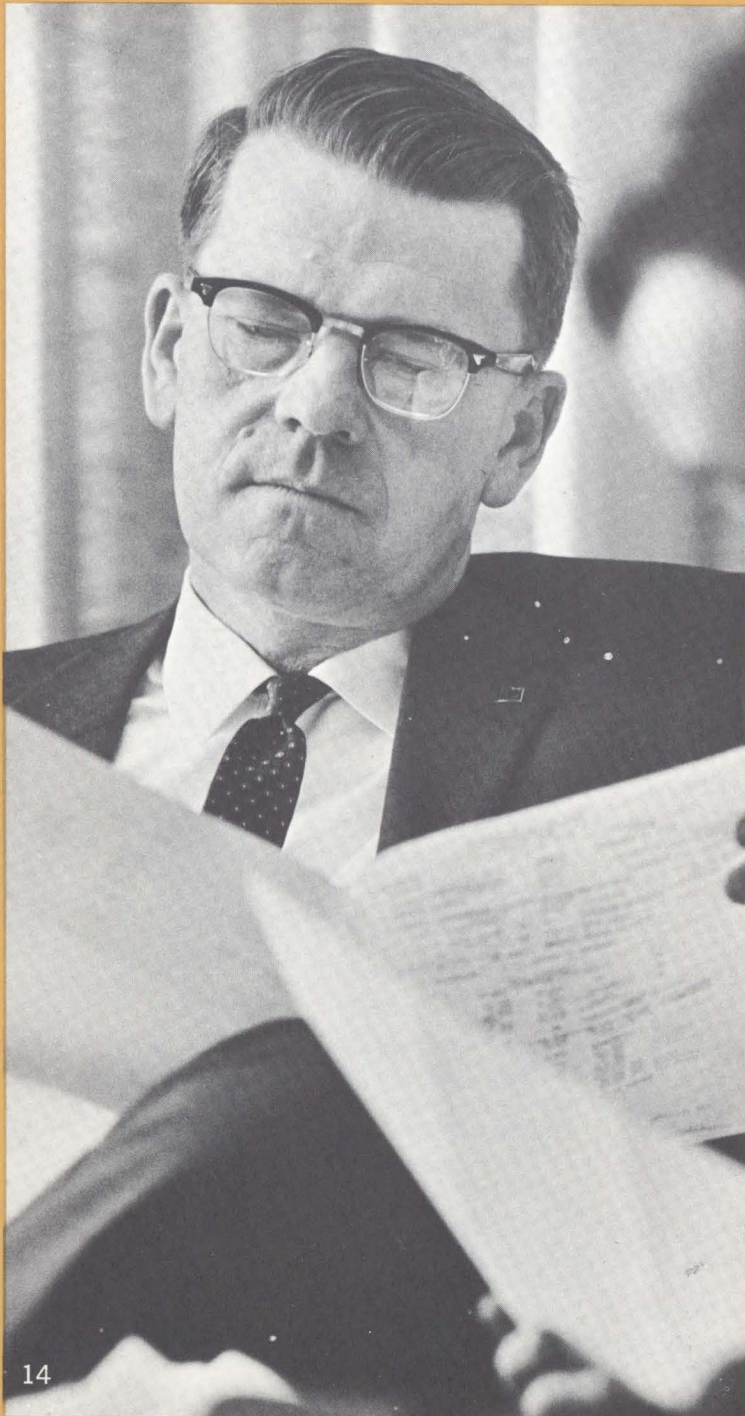
Secretary to the Board

ROBERT G. PERRY
Senior Vice-President and Cashier

COMPARATIVE STATEMENT OF EARNINGS

	Year Ended December 31	
	1965	1964
OPERATING INCOME		
Interest Earned —		
Loans	\$10,015,552	\$ 9,034,021
Investment Securities:		
Taxable	2,036,814	2,055,143
Tax Exempt	986,860	813,773
	<u>\$13,039,226</u>	<u>\$11,902,937</u>
Service Charges on Deposit Accounts . . .	\$ 1,955,330	\$ 1,780,163
Trust Department Income	554,166	550,571
Other Operating Income	637,956	597,129
	<u>\$16,186,678</u>	<u>\$14,830,800</u>
OPERATING EXPENSES		
Salaries	\$ 4,661,777	\$ 4,436,639
Profit Sharing Contribution	121,729	156,977
Other Employee Benefits	380,223	344,309
Interest Paid	4,713,132	3,567,215
Net Occupancy Expenses	731,841	678,014
Machine Rentals	394,166	355,548
Other Operating Expenses	2,319,141	2,087,674
	<u>\$13,322,009</u>	<u>\$11,626,376</u>
OPERATING EARNINGS BEFORE FEDERAL INCOME TAXES	\$ 2,864,669	\$ 3,204,424
Provision for Federal Income Taxes on Oper- ating Earnings	862,000	1,180,000
NET OPERATING EARNINGS	<u>\$ 2,002,669</u>	<u>\$ 2,024,424</u>
PER SHARE	\$ 5.34	\$ 5.40
Nonoperating Income and (Deductions):		
Transfers to Reserve for Possible Loan Losses, Net of Income Tax Effect . . .	(286,000)	(125,000)
Profit (Loss) on Sale of Securities, Net of Income Tax Effect	(459,093)	466,461
Transfers from (to) Investment Securities Reserve	467,927	(451,206)
NET NONOPERATING DEDUCTIONS . . .	<u>(\$277,166)</u>	<u>(\$109,745)</u>
TRANSFERRED TO UNDIVIDED PROFITS	<u>\$ 1,725,503</u>	<u>\$ 1,914,679</u>

See also comments in Report to Stockholders



COMPARATIVE STATEMENT OF CONDITION

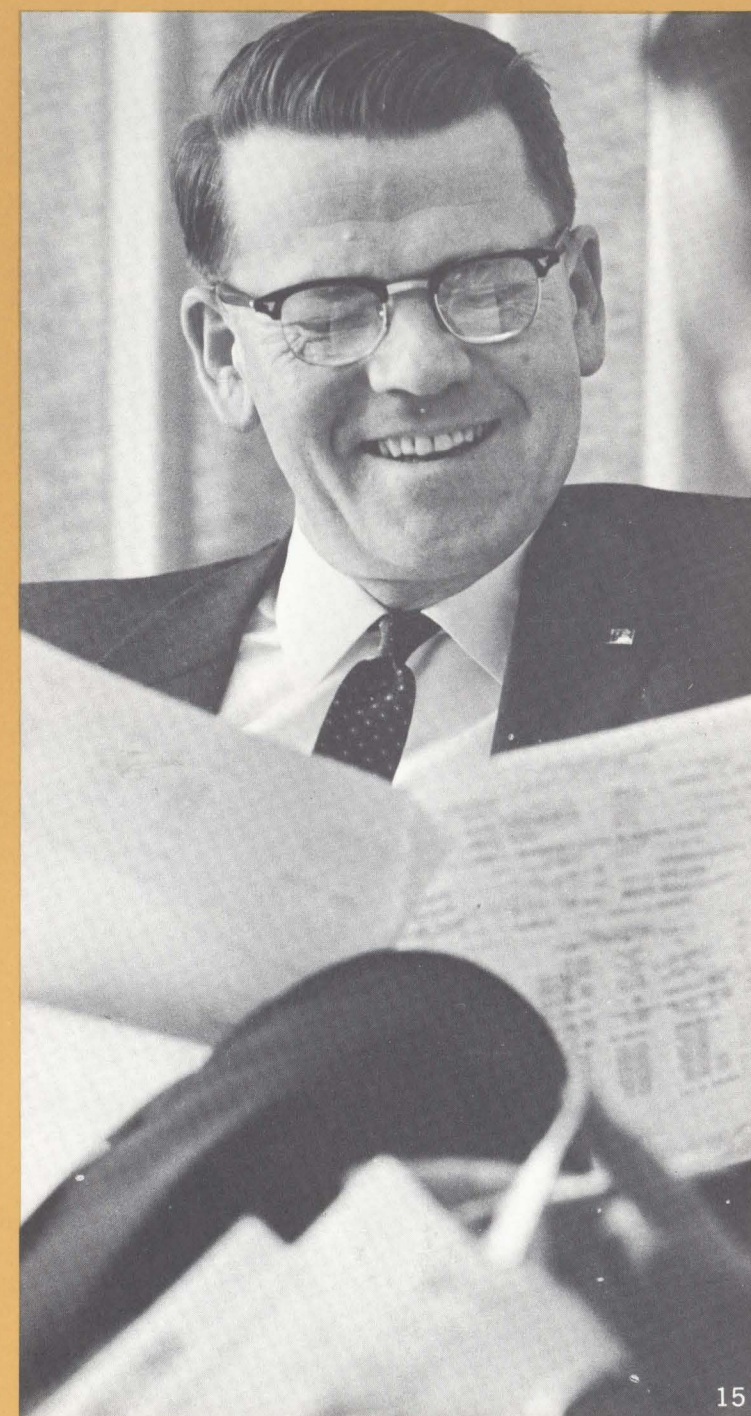
RESOURCES

	Year Ended December 31	
	1965	1964
Cash and Due from Banks	\$ 61,194,825	\$ 56,269,715
Investments —		
U. S. Government Direct Obligations	48,708,926	54,674,304
State, County and Municipal Securities	34,406,023	29,124,658
Other Securities	589,841	548,772
	<u>83,704,790</u>	<u>84,347,734</u>
Loans and Discounts	172,107,757	151,447,339
Reserve for Possible Loan Losses	(2,594,674)	(2,169,262)
Customers' Liability Account Acceptances and Letters of Credit	885,298	1,718,300
Equipment Under Customer Lease	445,498	—
Bank Premises, Improvements and Equipment, Less Depreciation Reserves of \$3,926,980 in 1965 and \$3,293,590 in 1964	6,294,938	5,861,933
Other Assets	748,699	517,231
TOTAL RESOURCES	<u>\$322,787,131</u>	<u>\$297,992,990</u>

LIABILITIES

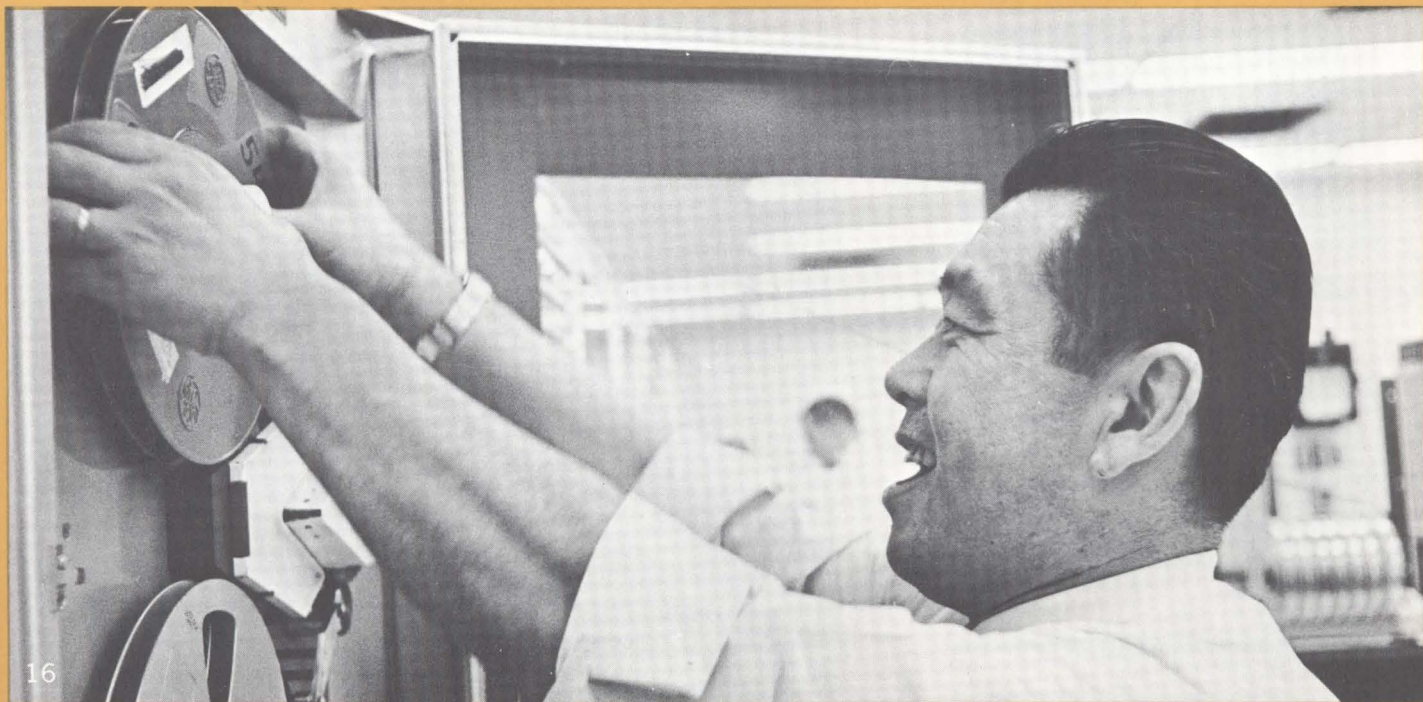
Demand Deposits	\$164,688,472	\$159,341,846
Time Deposits —		
Regular Savings	117,185,981	100,114,304
Other	15,483,554	12,105,497
TOTAL DEPOSITS	<u>\$297,358,007</u>	<u>\$271,561,647</u>
Acceptances and Letters of Credit	885,298	1,718,300
Dividends Payable	375,120	375,120
Accrued Taxes and Expenses	437,787	1,178,577
Income Collected but Not Earned	716,166	412,399
TOTAL LIABILITIES	<u>\$299,772,378</u>	<u>\$275,246,043</u>
Investment Securities Reserve (Tax Paid)	272,279	740,206
Stockholders' Equity:		
Capital Stock-Authorized and Outstanding 375,120 Shares of \$20 Par Value	7,502,400	7,502,400
Surplus	9,497,600	8,997,600
Undivided Profits	5,742,474	5,506,741
TOTAL CAPITAL FUNDS	<u>\$ 22,742,474</u>	<u>\$ 22,006,741</u>
TOTAL LIABILITIES, SECURITIES RESERVE AND CAPITAL FUNDS	<u>\$322,787,131</u>	<u>\$297,992,990</u>

See also comments in Report to Stockholders





AT PEOPLES BANKING IS INITIATIVE



STATEMENT OF CHANGES IN UNDIVIDED PROFITS

	Year Ended December 31	
	1965	1964
Balance at Beginning of Year	\$5,506,741	\$4,154,742
Transferred from Statement of Earnings	<u>1,725,503</u>	<u>1,914,679</u>
	7,232,244	6,069,421
Deduct:		
Dividends — \$1.50 Per Share	562,680	562,680
Excess of Purchase Cost over Allowed Carrying Value of Bank Assets Acquired	427,090	—
Transfer to Surplus	<u>500,000</u>	<u>—</u>
	1,489,770	562,680
BALANCE AT END OF YEAR	<u><u>\$5,742,474</u></u>	<u><u>\$5,506,741</u></u>

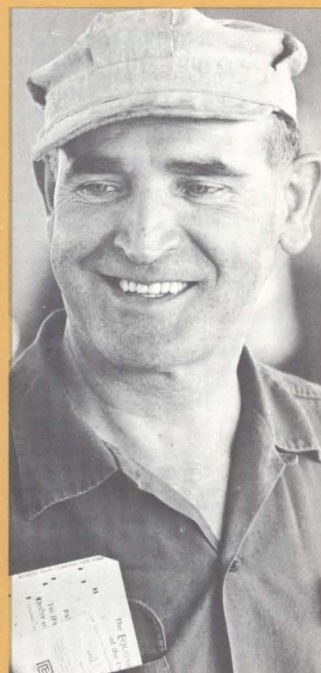
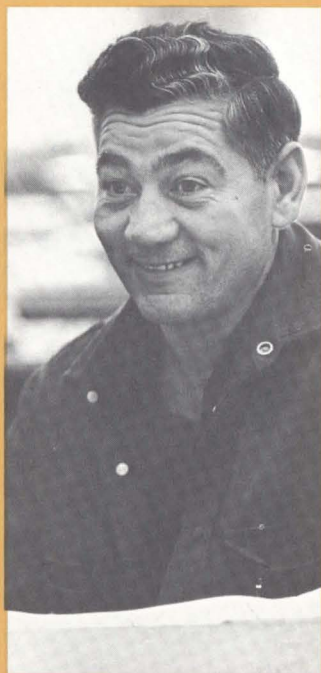
STATEMENT OF CHANGES IN RESERVE FOR POSSIBLE LOAN LOSSES

Balance at Beginning of Year	\$2,169,262	\$1,953,813
Loan Losses, Net of Recoveries, Charged to Reserve	(124,588)	(34,551)
Additional Provision During Year	<u>550,000</u>	<u>250,000</u>
BALANCE AT END OF YEAR	<u><u>\$2,594,674</u></u>	<u><u>\$2,169,262</u></u>

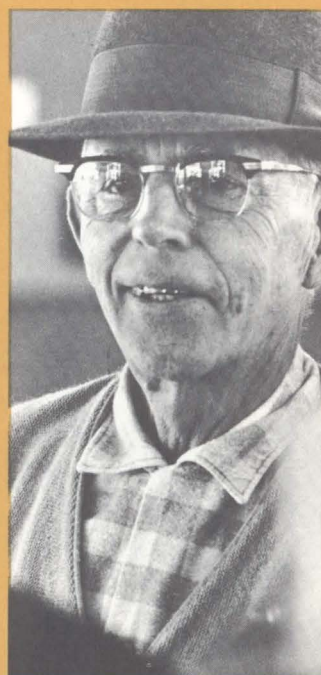
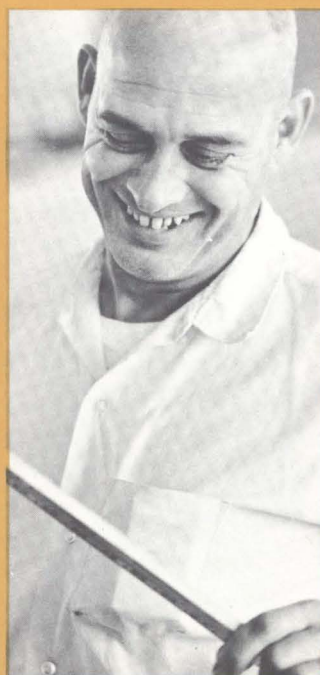
STATEMENT OF CHANGES IN INVESTMENT SECURITIES RESERVE

Balance at Beginning of Year	\$ 740,206	\$ 289,000
Increase (Decrease) During Year — Per Statement of Earnings	<u>(467,927)</u>	<u>451,206</u>
BALANCE AT END OF YEAR	<u><u>\$ 272,279</u></u>	<u><u>\$ 740,206</u></u>

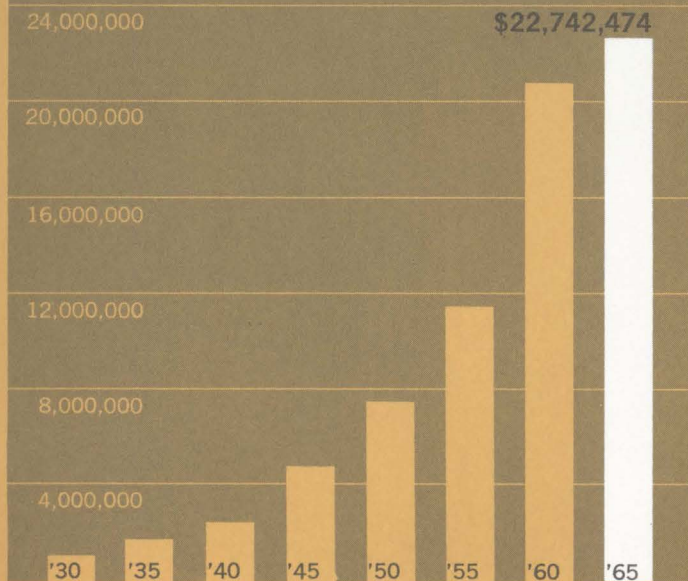
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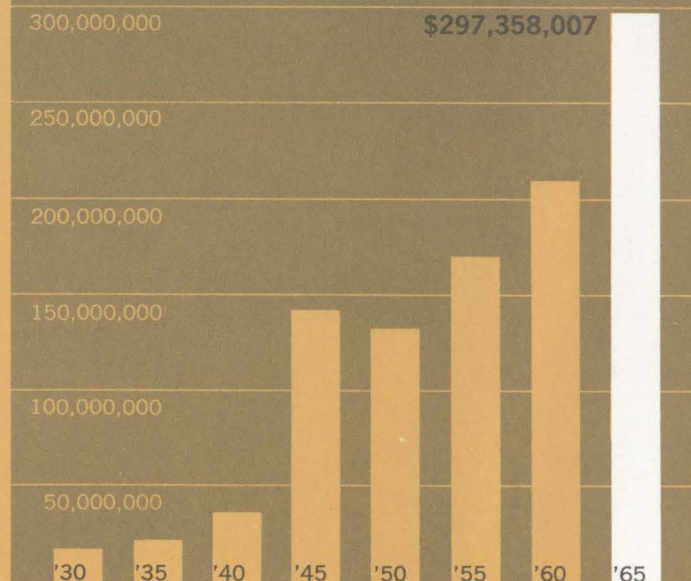
... SATISFYING CUSTOMERS



CAPITAL FUNDS

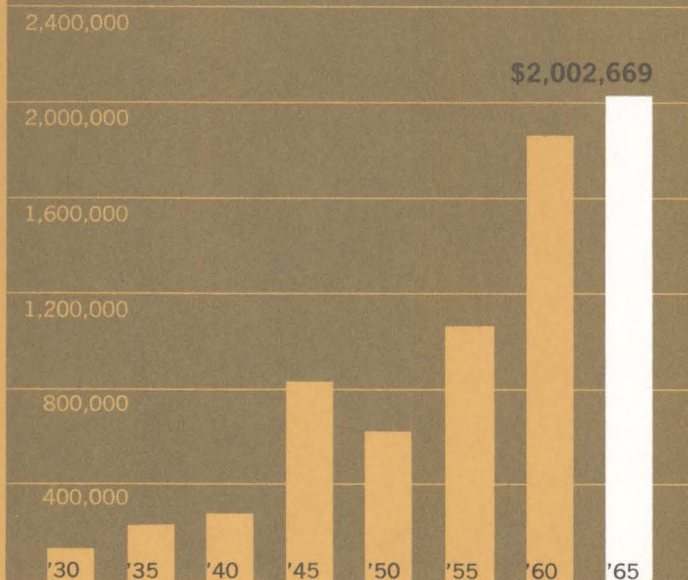


DEPOSITS

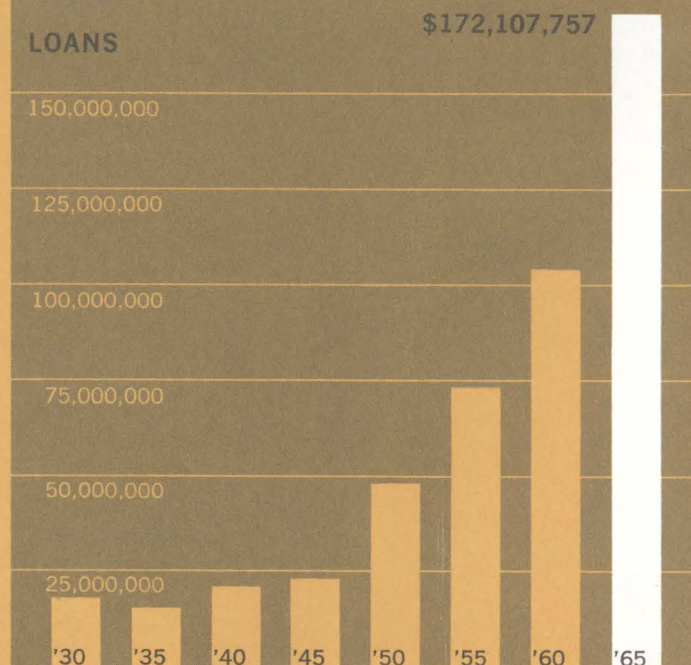


... GROWTH AND PROGRESS

NET OPERATING EARNINGS



LOANS





... ACCESSIBILITY

HEAD OFFICE

1414 Fourth Avenue, Seattle 98111 ■ MAin 4-1010

ADMINISTRATION AND SUPERVISION

JOSHUA GREEN Honorary Chairman of Board
*JOSHUA GREEN, JR. Chairman of Board
C. L. YOST Vice-Chairman of Board
*E. L. BLAINE, JR. President
*P. A. STRACK Chairman of Executive Committee
*ROBERT G. PERRY Senior Vice-President
and Cashier
ROBERT G. BOURGAIZE Senior Vice-President
W. BINGAY Vice-President
HARRY S. GOODFELLOW Vice-President
D. GREENFIELD Vice-President
E. C. UNDERHILL Vice-President
R. A. HARRIS Vice-President
JOSHUA GREEN, III Assistant Vice-President
R. R. WILLSON Assistant Vice-President
R. D. GASTON, JR. Assistant Cashier

*Administrative Committee Member

CASHIERS DEPARTMENT

F. P. VIRANT Vice-President
F. G. BOURQUE Assistant Vice-President
VICTOR D. COUPEZ Assistant Vice-President
R. W. HENNING Assistant Vice-President
W. E. McMILLEN Assistant Vice-President

PEP CENTER (COMPUTER CENTER)

530 Dexter Avenue North, Seattle 98109

Z. T. SZATROWSKI Manager
PAUL C. IRISH Assistant Cashier
G. R. FRANCISCO Assistant Cashier

INTERNATIONAL DEPARTMENT

W. F. BREITEN Assistant Vice-President

INVESTMENT DEPARTMENT

R. W. JACKSON Vice-President

PERSONNEL DEPARTMENT

JOHN C. LAUGHLIN Vice-President
J. T. BEMBEN Assistant Vice-President
MARY WILLIAMS Assistant Cashier

MARKETING AND BUSINESS DEVELOPMENT

PAUL L. DANFORTH Vice-President
J. R. TOPPER Vice-President
J. T. TRAYNOR Assistant Cashier

TRUST DEPARTMENT

HAROLD A. ROGERS Vice-President and
Senior Trust Officer
WALTER T. BAGNALL Vice-President and
Trust Officer
E. R. MACKAY Vice-President and
Trust Officer
W. L. WILTON Trust Officer
DEXTER PINKMAN Trust Officer
R. L. HILDRETH Assistant Trust Officer
O. R. COWIN Assistant Trust Officer
D. L. HENWOOD Assistant Trust Officer
EDWARD T. HUGHES Assistant Trust Officer
FREDERICK N. WADE Assistant Trust Officer
E. C. SCHMAD Assistant Auditor

AUDITING DEPARTMENT

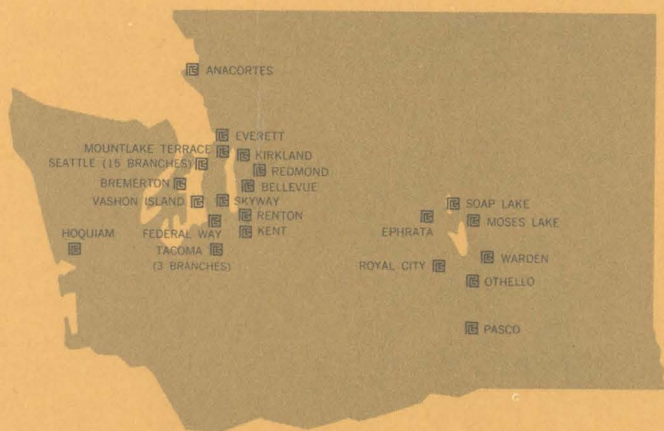
D. L. McMILLAN Assistant Vice-President
and Auditor
R. E. BARCLAY Assistant Auditor

LOAN EXAMINING DEPARTMENT

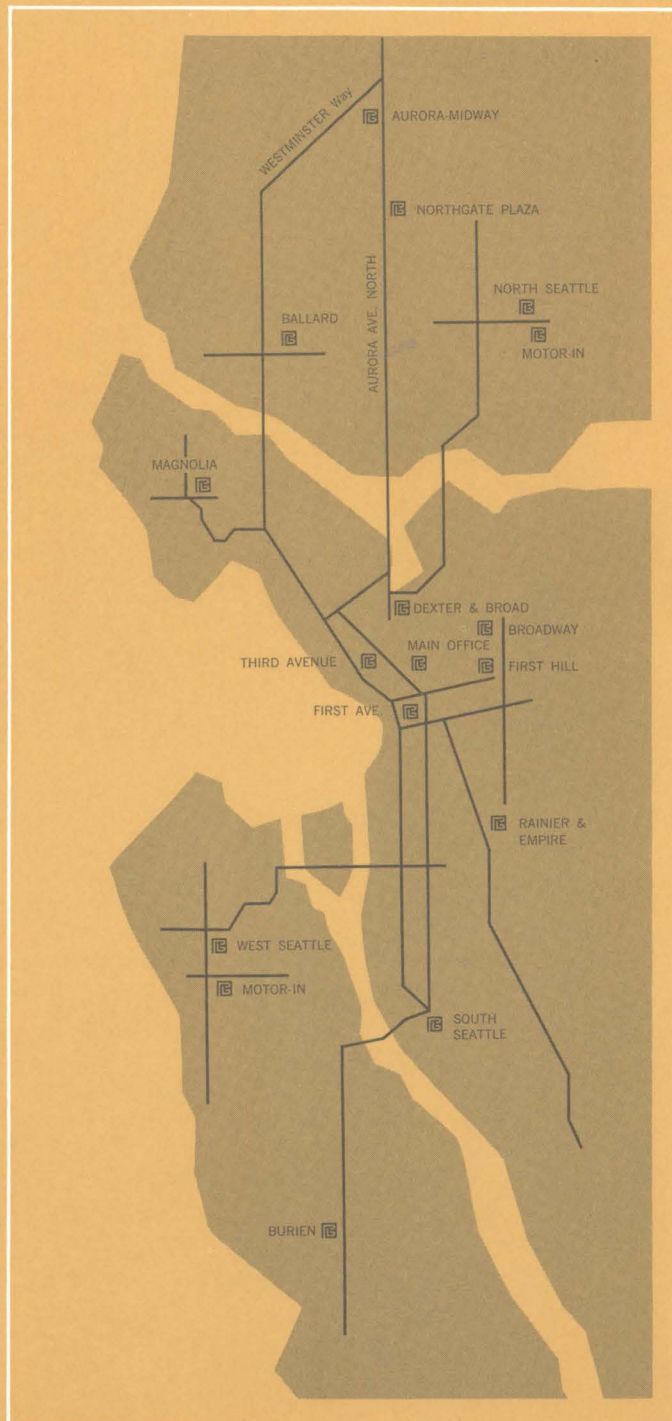
A. R. BERGMAN Vice-President
FRED W. MILES Assistant Vice-President
ROBERT STEWART Assistant Cashier

ADJUSTMENT DEPARTMENT

R. C. STRAND Vice-President
MADELEINE PETTITT Assistant Cashier



**AT PEOPLES
BANKING IS CONVENIENCE**



MAIN OFFICE

1414 Fourth Avenue, Seattle 98111 ■ MAin 4-1010

JAMES H. RECKERS. Vice-President and Manager
F. B. DONALDSON. Senior Vice-President
M. CLARE GEDDES. Senior Vice-President
QUENTIN H. ELLIS. Vice-President
R. D. GASTON. Vice-President
C. H. AITKEN. Assistant Vice-President
KENNETH D. STANDISH. . . Assistant Vice-President
LEONARD KERBEL. Assistant Vice-President
CHARLES RILEY. Assistant Cashier
JAMES G. CAIRNS, JR. . . . Assistant Cashier
GLENN W. MATZ. Assistant Cashier
ADA L. HEADLEY. Assistant Cashier

SEATTLE OFFICES

AURORA MIDWAY

15555 Aurora Ave. No. 98133 ■ EMerson 4-5504

LYLE M. SANDELIUS. Manager
C. D. SMITH. Assistant Manager

BALLARD

5602 Fifteenth Ave. N.W. 98107 ■ MAin 4-1010

H. MEANS. . . Assistant Vice-President and Manager
RICHARD G. MONSON. . . . Assistant Manager
J. W. CHRISTENSEN. . . . Pro-Manager

BROADWAY

133 Broadway East 98102 ■ MAin 4-1010

ALBERT A. GREEN, JR. . . Assistant Vice-President
and Manager
DEAN GULLIKSON. Assistant Manager

DEXTER AND BROAD STREET

530 Dexter Avenue 98109 ■ MAin 4-1010

A. N. CURRIER. Assistant Vice-President
and Manager
EARL A. CRANDALL. . . . Assistant Manager
C. R. WILLIAMSON. . . . Assistant Manager
DAVID R. HARDESTY. . . . Assistant Manager

FIRST AVENUE

801 First Avenue 98104 ■ MAin 4-1010

E. M. ANDERSON. Vice-President and Manager
WILLIAM HARISBERGER. . . Vice-President
ROLF RIEGER. Assistant Manager
R. W. DUNCAN. Assistant Manager
E. H. LE VAN. Assistant Manager

FIRST HILL

1122 Madison Street 98104 ■ MAin 4-1010

M. S. DUNN. Vice-President and Manager
D. A. HEGGIE. Assistant Manager
R. MOHRBACHER. Assistant Manager
R. R. GEORGE. Assistant Manager

MAGNOLIA

2426 Thirty-Second Ave. West 98199 ■ MAin 4-1010

A. W. BUSCH. Vice-President and Manager
JAMES G. FULTON. Assistant Manager

NORTH SEATTLE

6300 Roosevelt Way Northeast 98115 ■ MAin 4-1010

NORTH SEATTLE MOTOR-IN

1023 Northeast Sixty-Third St. 98115
MAin 4-1010

G. C. TROTTER. Vice-President and Manager
D. E. BROWN. Assistant Manager
D. F. WALIN. Assistant Manager
W. H. NYBERG. Pro-Manager

NORTHGATE PLAZA

10548 Fifth Ave. Northeast 98125 ■ EMerson 4-2880

T. FROULA. Manager
ROBERT WILSON. Assistant Manager

RAINIER EMPIRE

2910 Rainier Avenue 98144 ■ PARKway 5-2850

J. E. TONERI. Vice-President and Manager
J. D. McMASTERS. Assistant Manager

SOUTH SEATTLE

6520 Fourth Avenue South 98108 ■ MAin 4-1010

J. KING. Vice-President and Manager
W. L. BOATMAN. Assistant Manager
DONALD DAVIES. Assistant Manager

THIRD AVENUE

1903 Third Avenue 98101 ■ MAin 4-1010

M. R. MASTRO. Assistant Vice-President
and Manager
WAYNE A. WAKEFIELD. . . . Assistant Manager
RICHARD P. O'DONNELL. . . Pro-Manager

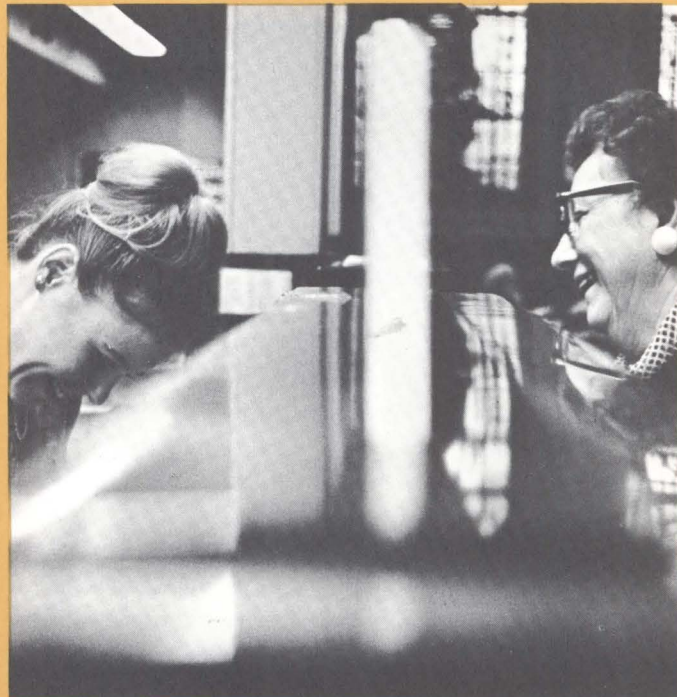
WEST SEATTLE

4123 Southwest Alaska Street 98116 ■ MAin 4-1010

WEST SEATTLE MOTOR-IN

4200 Southwest Edmunds St. 98116
MAin 4-1010

FRITZ T. LINDE. Vice-President and Manager
O. E. KRUEGER. Assistant Manager
E. K. HAMER. Assistant Manager
T. M. MAHER. Assistant Manager
N. D. FORBES. Pro-Manager
MARIE LELAND. Pro-Manager



... ANTICIPATION ... FRIENDLINESS

WESTERN WASHINGTON OFFICES

ANACORTES

502 Commercial Ave., Anacortes 98221 ■ CY 3-3151

FRED G. CARTWRIGHT.....Vice-President
and Manager
FLOYD C. WALLER.....Assistant Manager
J. R. McCOLLEY.....Pro-Manager

BELLEVUE-HIGHLANDS

1815 140th Ave. Northeast, Bellevue 98004
SH 6-7200

R. B. SMOCK.....Assistant Vice-President
and Manager
W. G. BURNETT.....Assistant Manager

BREMERTON

190 Pacific Ave., Bremerton 98310 ■ ESsex 7-7641

H. SELVIDGE.....Vice-President and Manager
R. L. PATTEN, JR.....Assistant Manager
DEAN BROTT.....Pro-Manager

BURIEN

14641 First Ave. So. 98168 ■ CHerry 4-3876

D. L. CARLO.....Manager
R. W. MAIDER.....Assistant Manager

EVERETT

1702 Hewitt Ave., Everett 98201 ■ ALpine 2-5151

J. A. GREEN.....Senior Vice-President
R. P. DIDDAMS.....Assistant Vice-President
and Manager
E. L. ZINDORF.....Assistant Manager
H. G. BEILFUS.....Assistant Manager
O. OBERGOTTSBERGER.....Assistant Manager

FEDERAL WAY

1436 South 312th St., Federal Way 98003 VE 9-1010

L. L. McCOY.....Manager
WALLACE G. MAY.....Assistant Manager

HOQUIAM

727 Simpson Avenue, Hoquiam 98550 ■ GE 8-3480

J. R. SIPILA.....Assistant Vice-President
and Manager
ANSEL McCULLOUGH.....Assistant Manager
H. F. MESERVEY.....Assistant Manager
EMMA D. EDINGER.....Pro-Manager

KENT

317 West Meeker St., Kent 90831 ■ ULrick 2-1234

A. GIGLI.....Vice-President and Manager
R. T. ALLEN.....Assistant Manager
JON B. BRADFORD.....Assistant Manager
JOHN L. KOLODZIE.....Assistant Manager
FLOYD CAVANAUGH.....Pro-Manager

KIRKLAND

177 Central Way, Kirkland 98033 ■ VAndyke 2-6021

J. A. HENWOOD.....Manager
R. V. ANDERSON.....Assistant Manager
G. M. HECKER.....Pro-Manager

MOUNTLAKE TERRACE

23103 56th Ave. W., Mountlake Terrace 98043
PR 6-9101

R. SOURS.....Manager
SIDNEY P. GREGORY.....Assistant Manager

REDMOND

7541 Leary Way Northeast, Redmond 98052
TU 5-4153

W. STOREY.....Manager
P. H. SUCKERMAN.....Pro-Manager

RENTON

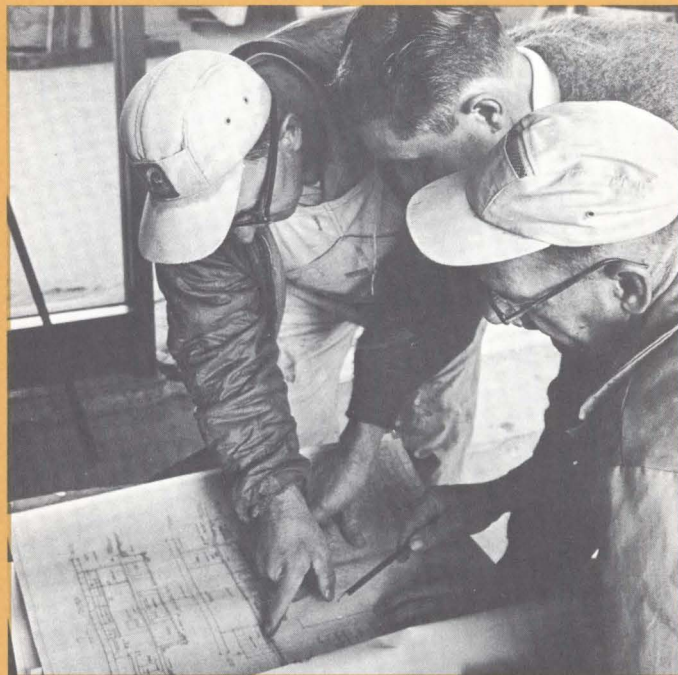
222 Williams St., Renton 98055 ■ BALdwin 6-3020

B. G. MORRISON.....Vice-President and Manager
F. N. ANDERSON.....Assistant Manager
W. R. FAVRO.....Assistant Manager
R. R. FARQUHAR.....Assistant Manager
D. A. LYSKI.....Assistant Manager
W. R. MARKEN.....Pro-Manager

SKYWAY PARK

12610 Seventy-Sixth Ave. South 98178 ■ PA 2-0573

H. A. TROUT.....Manager
V. A. WIK.....Assistant Manager



... PROBLEM SOLVING ... GROWTH

WESTERN WASHINGTON, Cont.

TACOMA AREA OFFICES

DAVID O. BECK.....Vice-President

PACIFIC AVENUE

2317 Pacific Ave., Tacoma 98402 ■ BP 2-3178

N. S. PENROSE, JR.....Manager

SIXTH AT PINE

2816 6th Avenue, Tacoma 98444 ■ MA 7-8191

JAMES F. STEPP.....Assistant Vice-President
and Manager

W. W. MERRIMAN.....Assistant Vice-President

D. W. LANGLEY.....Assistant Manager

TWELFTH AND "K"

1123 South "K" Street, Tacoma 98405

FU 3-2555

DAVID S. COOMBER.....Manager

VASHON ISLAND

Vashon 98070 ■ HOWard 3-3561

C. H. NORSTROM.....Manager

G. L. WESTBY.....Assistant Manager

CENTRAL WASHINGTON OFFICES

MOSES LAKE

203 East Third Ave., Moses Lake 98837 ■ RO 5-3407

M. R. VERNON.....Assistant Vice-President
and Manager

L. D. SEVERSON.....Assistant Manager

R. A. HOOD.....Assistant Manager

J. T. WALTERS.....Pro-Manager

GRANT COUNTY

121 Basin Street, Ephrata 98823 ■ SKYline 4-2431

T. O. SELLSTED.....Manager

D. B. RAGSDALE.....Assistant Manager

C. D. NIES.....Assistant Manager

PASCO

203 Fourth Avenue, Pasco 98301 ■ LIBerty 7-3358

V. A. GAMLEM.....Manager

F. P. WATSON.....Assistant Manager

J. PRICE.....Pro-Manager

ROSEMARY ESTES.....Pro-Manager

OTHELLO

101 East Main St., Othello 98344 ■ HUBbard 8-2645

B. E. BROUGHTON.....Assistant Vice-President
and Manager

M. E. PRESTON.....Assistant Manager

R. K. DEMING.....Assistant Manager

L. C. EBNER.....Assistant Manager

ROYAL CITY

100 South Evergreen, Royal City 99357 ■ DI 6-2233

J. H. TAYLOR.....Manager

C. DOUGLAS LONGFELLOW.....Assistant Manager

SOAP LAKE

421 Main St., Soap Lake 98851 ■ CHEstnut 6-2300

JEAN T. FORTUN.....Manager

E. L. WILLBORN.....Pro-Manager

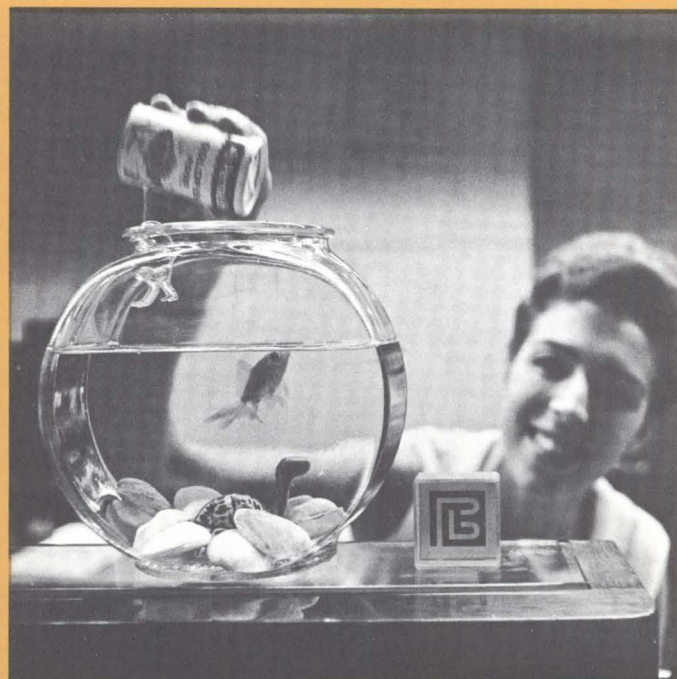
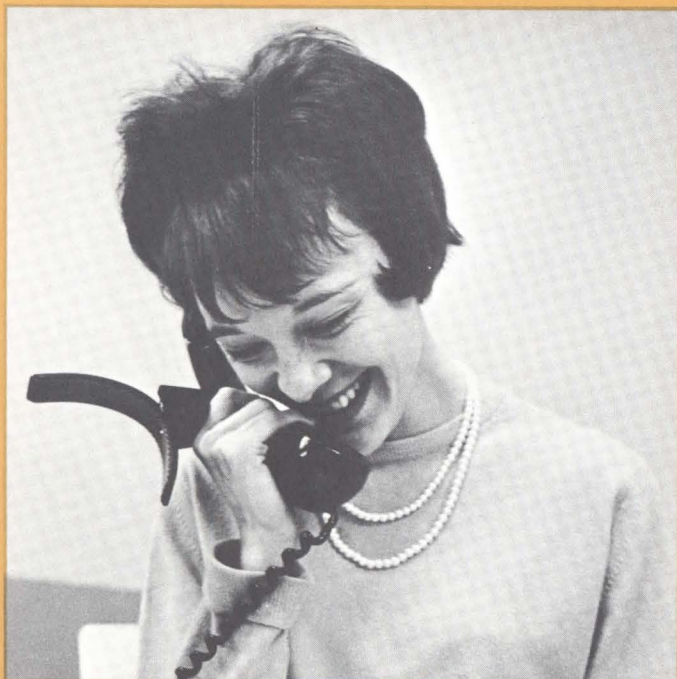
WARDEN

119 South Main, Warden 98857 ■ FILmore 9-2351

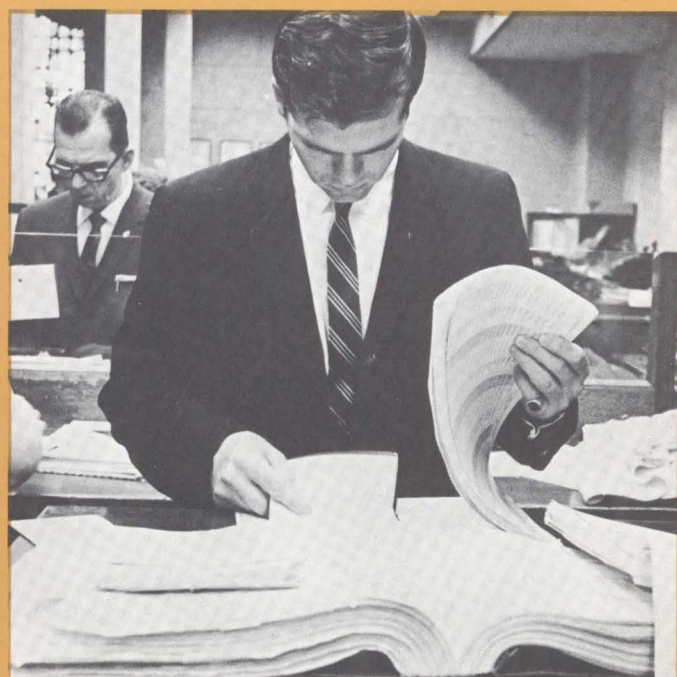
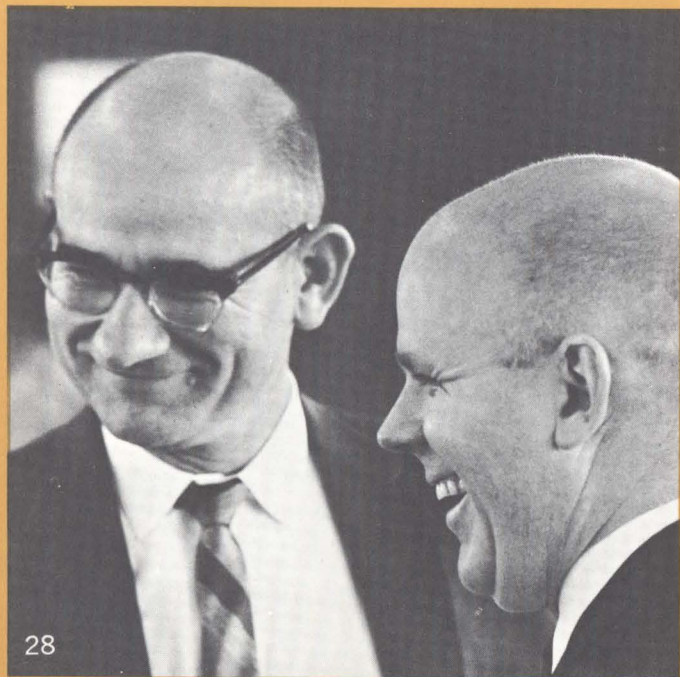
G. E. SCHNEIDER.....Manager

V. J. JOLLO.....Assistant Manager

BLANCHE STRANG.....Pro-Manager



... CARING





IN APPRECIATION

Years and years of loyal service—nearly 200—are represented by the five Peoples' people who retired from active service in the bank since our last report. Others will replace them but no one will really take their places. We are happy to report that Mr. Strack will continue his valuable service as a Director.

KATHERINE ANDREAS . *Auditing Department*

FRANK B. DONALDSON . *Senior Vice-President
and Manager, Main Office*

HELEN NELSEN *Assistant Manager,
Renton Branch*

HENRY SAUTTER *Guard, Main Office*

PHILIP A. STRACK *Chairman of the
Executive Committee*

It is with deep regret that we announce the resignation, on account of health, of J. F. Eddy as a Director of the bank. Mr. Eddy has been a valuable and appreciated member of the Board since his election in 1957. We wish him well and hope that he will be able to resume his many business activities before too long.

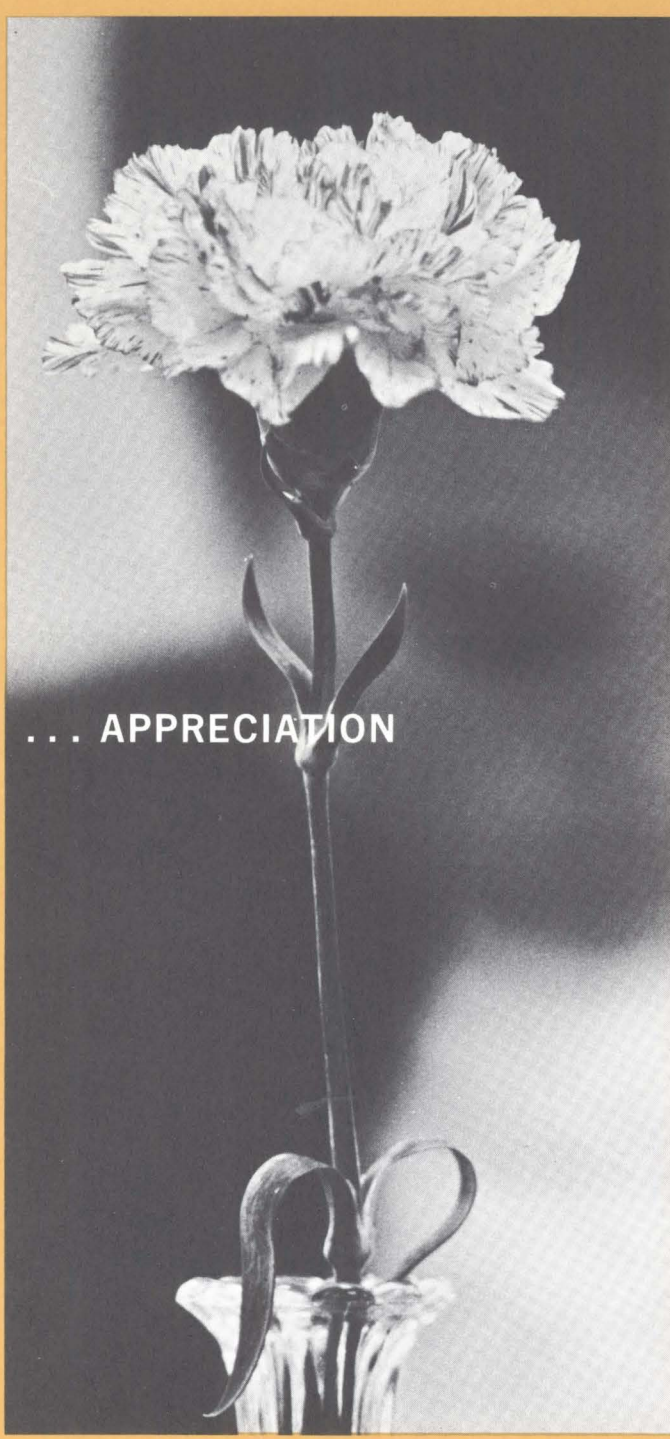
IN MEMORIAM

Inevitable in a family as large as ours, some members are taken by death. This year our losses have been particularly heavy. We all join in expressing our sympathy to their families:

SAMUEL L. BIDDLE *Assistant Cashier,
Main Office*

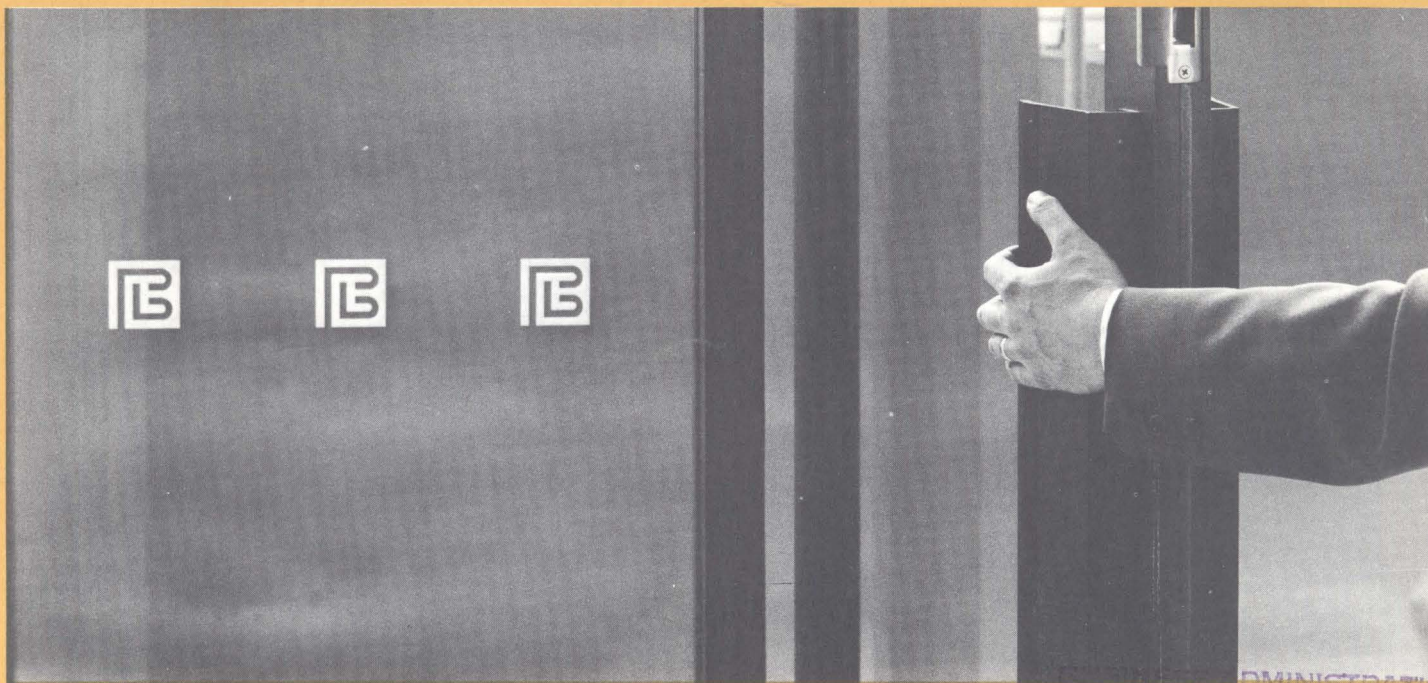
RITA JOHNSON *Teller, Bremerton Branch*

PHILIP D. MACBRIDE *Director*



... APPRECIATION

PEOPLES IS BANKING . . . WITH A DIFFERENCE



BUSINESS ADMINISTRATION
LIBRARY
UNIVERSITY OF WASHINGTON