YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Metropolitan Savings and Loan

Personal Experience

O.H. 1041

JOHN PERKINS
LYNN ROMAN

Interviewed

by

Janice Cafaro

on

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C: This is an interview with John Perkins and Lynn Roman for the Youngstown State University Oral History Program on History of Industries in Youngstown by Janice Cafaro at Metropolitan Bank, on July 10, 1986, at 9:30 am.

Mr. Perkins, would you like to begin by telling a little bit about your background, your family, where you were raised and went to school?

P: Janice, I am a life long resident of the Mahoning Valley. I was born and reared in Struthers and went throughout the Struthers educational system. I attended Miami University for undergraduate work and got my law degree at Youngstown State University. I had four years, while going through law school, working for the People's Bank which was the predecessor of Society Corporation. Then, I have been with the Metropolitan Savings Bank, formerly the Metropolitan Savings and Loan, for my 34th year. I just passed my 33rd year a few weeks ago.

C: During the 1950's, S & L's were only dealing with home mortgages. Since then they have branched out into different business loans etc. How did they branch out? Why did they with Metropolitan, specifically?

P: For so many years, there was a distinct distinction between commercial banks and savings and loans. The laws generally told the financial institution what the banks could do and what the savings and loan industry could do. They, in fact, set the rates we could pay on savings and that in turn caused the institutions to set the rates they could pay on mortgage money. Up until the deregulation to, generally speaking, taking in savings and the turning around and lending it out. For many, many years, the taking in savings meant your passbook savings on the one side and on the other side real estate mortgage loans. Incidentally, 33 years ago when I started working here, our company was about $3 million in size and now it is getting close to $200 million in size. However, when I first started working here, we took in regular passbook savings. It was the only type of savings that we had. I think we paid 4% or 4 ½%. I forget what the rate was. We turned around and made mortgage loans at 6% or 6 1/2% and it required to make a mortgage loan at that time an application, a note and a mortgage. It required three documents. Now, I cannot tell you how many documents it takes to make a mortgage loan now. There is this rule and that rule. I would be lost if I had to count up the number of documents to make a mortgage loan.

They came up with deregulation. The government said we were going to quit regulating you guys so much. They say that we can have CD's along with your passbook savings on the one side. You can also have NOW accounts. We have always called them checking accounts around here because for about 30 years of my 33 years with the company, until March of last years we were not regulated or supervised or governed by the federal system. We were charter member of the Ohio Deposit Guarantee Fund which had the happening prices less. You might have heard about that or read about that. If you look on this wall, you will see a history in picture form of everything that took us out of ODGF, not state insured, but part insured savings and to the federal insurance of our savings. Up until that time, we had no restrictions placed upon us as to what we could pay for savings or what we could lend out or what we could offer premiums for savings on most any part endeavor. We were sort of unregulated.

C: Would you like to elaborate on the bank crisis of 1985?

P: If you have about 24 hours and left the table sit here and talk about it for 24. There are secrets and tales there. There are tape and papers and documents over in those cabinets someplace that I have never had a chance or may never have a chance to assemble. The crisis in Ohio is caused by a massive fraud ESM Company down in Florida. I read in the paper yesterday where ESM situation with the political subdivisions such as Toledo have settled. They are getting a recovery. Incidentally, the attorney who is handling all of this is getting $600,000 down in Miami for working out the large part of a partner of the Alexander Grant Auditing Firm which was on the payroll in a fraudulent way with the ESM Corporation. The Home State Savings Bank of Cincinnati are the second largest member of ODGF which has 70 members at a time was caught up in this massive fraud of ESM.

That story is not over with yet. Every depositor in the state of Ohio has been made whole. Every one of the 70 companies depositing has been made whole. Some of those 70 companies have been purchased by Chase-Manhattan, by Hunter Savings, by the Home Savings & Loan Company of California, and many of the companies have, by some way or another, had their depositors insured by the Federal Savings and Loan Insurance Corporation which is a branch of the Federal Home Loan Bank Board. Some of these companies were aided to open by an outfit in the State of Ohio called SLAC which means Savings and Loan Assurance Corporation. That was a body that was created by the legislature back last summer and was loaned some funds by the State of Ohio Director of Commerce. The funds generally came out of the unclaimed funds count down there which would be used to infuse capital into nine, ten or eleven companies that could not make it on their own and could not find a merger partner. They just were rather really low on reserves and had some delinquent problems and the Federal Home Loan Board system did not want them in there unless there was some infusion of some capital to bring a reserve up to a certain level. SLAC, this body that I am talking about which I am a trustee on with four other trustees, is still working diligently and making sure that the money was infused by SLAC on behalf of the taxpayers gets repaid back to the taxpayers with interest. It is a long story.

C: How do you feel that the banking crisis affected your reputation? It must have been a very stressful time for you.

P: It was a stressful time. It did not affect Metropolitan's reputation or our personal reputation one iota. I remember we hammered a way out. Anyone who would care to check our records they would find out during the entire crisis up until the morning that the governor closed all of the offices, Metropolitan we were monitoring our savings deposits and withdrawals every hour through our computers and all we were doing while they were losing down in Cincinnati are deposits were going up hill. It was a drastic chock when we found that out. I was down in Cincinnati early one morning at 7:00 and they said, "Call your office the governor closed." I did not know why he closed them. He did close them. It was very traumatic. We kept hammering away at the press, not hammering away, but responding to the press that were solvent and solvent and we invited anyone to check our records and we were just caught up here in the northeastern part of Ohio in this situation that was embroiled and burning down in Cincinnati.

R: It was relatively isolated. That was the important thing. The after effects drifted up this way. Of course there was stress here. There were short term ill effects here. We were closed 10 or 11 days. That was a traumatic experience. We have recovered from that fully. If anything it definitely strengthened the image of the Metropolitan Bank. We were able to handle our weight, stability, and our safety and our soundness. We have emerged stronger than ever and we are going onward to capitalize on our strengths now and build on these strengths now.

P: Janice, the record just would not be complete if I did not interject the fact that when we were closed and during our crisis we some tremendous intellectual and moral assistance from two institutions and two gentlemen from these institutions I speaking of Don McKay of the Home Savings and Loan and Arthur Young of the Mahoning Bank. They supported us tremendously in moral support and anything they could do. That really meant a lot too. What really meant the most was at that time our 62 year history of culture with our depositors and borrowers and our first and second generation customers could not wait until we had our orders to bring in more money and save with us.

C: You have been here for 34 years and started in the 1950's. How would you describe the Met's banking policies with what they are dealing with in the 1950's? I know it is general. I do not know if you could compare that perhaps to the 1960's or 1970's.

P: Sure. I will compare that with a statement made by our previous president, David Jones, who brought this company along very well for so many years. He had come back after I had become president for about a year. He said, "I really do not understand this business as it is today." What I remember is a mom and dad that came in with a little kid sitting in front to his desk. The little kid's legs were dangling over the chair and we would sit there and take out a mortgage loan application after 3:0. This is when we were small. He would get out of the car and maybe go appraise it and see if the property is all right and come back. We helped many families like that buy their homes around here. All we were doing was taking in savings and paying a rate and making a reasonable return between that simple passbook saver we had to pay and that modest rate we charged to cover the expense of the paper clips and the typewriters and the tellers.

Today, in the deregulated arena that we are in now, we go down stairs on our first floor and we have hired a commercial banker, who had about three years ago, that had 27 years in a commercial bank and the laws said now you can make commercial loans. You can make consumer loans. Of course we mentioned the NOW accounts or checking accounts we can have. The law also said that you can form a service corporation and anter into joint ventures with different people. We could run a race track if we wanted to. We could operate a church on money. We did incorporate a joint venture called Met Circo. We commenced a joint venture down in Ft. Myers, Florida. We bought about 21 acres of land and we were building and have built. We are about completed building 132 condominium suites down there. They are modestly placed for the type of people that we generally feel in the Mahoning Valley are our ethnic background our steel making heritage, and those type of people who can afford a $60,000 condo. They cannot afford the $250,000 condo. That was a market that we wanted to go to. That is some of the areas and activities that we have gotten into. We are making loans to small candy makers, to small businesses, making automobile loans, our student loans. Lynn could tell you a laundry list of products that have gone form the two we had to 15, 20, or 30. That is the difference.

C: How involved are you with business loans? What percentage would you say this is of your total business?

P: The law says that we can have 10% of our assets right now we are still chartered as a savings and loan. We are owned by a Pennsylvania bank holding company. During the crisis we our directors deemed it was best to upgrade ourselves with this outfit over there. They in turn infused capital into our corporation so that we would qualify for our federal insurance. Our sister affiliates in Pennsylvania are commercial banks. We are the oddball character. We are a savings and loan. Federal Reserve, who had to approve the merger, and Federal Home Owned Bank Board, who had to approve the merger, both place restrictions of the holding company the Pennsylvania holding company, of FNB Corporation that they must operate us as an Ohio Savings and Loan.

They also, at this moment, precludes us from having any intercompany transactions with our parent company or with out affiliates in Pennsylvania. They can lend us money and we can pay them dividends. We are theoretically and technically not permitted to have participation in loans or sastition of savings or even as Lynn and I know about, we have some rather quality sophisticated printing presses in our basement where we make up a lot of the many forms that are required for the operation of our company. We thought that maybe at one time we could make some withdrawal tickets or deposit tickets for Reeves Bank or Bucktail Bank or First National Bank in Pennsylvania and in an arm's length transaction sell them to them at a mutually beneficial basis for both. We were told we could not have one of those type of a transaction. Right now we are operating as a savings and loan nonbank institution.

C: What would attribute to your growth from $2 million to $200 million?

P: I think that was attributed to segments. I think one segment was 30 years ago. Our environment was non-regulated and non-restricted and we belonged to ODGF.

C: That is where your upgraded growth came in?

P: I think that might be right. We never did go crazy on the payment of interest. We paid a shade higher on a regular passbook for years. We still are still paying around 6% on a regular passbook. When other people only paid 5.5% we paid 6%. We built a very strong base of customers in what we call now our core deposit sight. Some of the companies of ODGF were paying 10%. They had phenomenal exposure down there in Cincinnati. We try to be moderate in all things and we try to use our non-regulated, non-supervised federal control over to within reason watching our reserves and gain a little bit that way. Get our market share that way.

R: I think the managed growth that he is speaking about is the key to it here. If we were able to sustain our savings growth with our lending side of the ledger and now with our expanded owners here are able to branch out into more forms of lending here and are able to control that savings group and utilize assets to their full potential.

C: When a business comes to you for a loan, what things are you looking at?

P: The number one thing we look at is how are we going to get paid back.

C: Do you look at assets?

P: We look at everything. We look at their balance sheet. We look at the nature of business that they are in. We look at the principles. Our prime concern is we lend them $1 or $100,000 how and will they pay us back. We hope that our money is going in the Mahoning Valley to benefit the community. That is important.

R: That is how we best serve the community by doing our business the best way we know how, too.

C: So you are doing business with both sides?

P: Yes.

C: You had mentioned the small candy maker.

P: Sure. I think our largest loan for up in Cortland in Trumbull County for one million two hundred and fifty thousand dollars on an apartment complex which is going to be converted to a condominium project involving eight or nine business people from Trumbull County. That is one of our larger loans. We hoped to get involved and perhaps have commitments made on the University Inn up here. I forget the size right now, but it is going to be a very good fixed loan. We made a loan out on the Austintown Plaza not too long ago a few years ago. At that time, it was the largest one that we made.

We have made large loans. We hope, if the federal government removes its restrictions upon inner company transactions, we can originate much larger loans here and we keep a half of a million for ourselves and sell off two million to our affiliates. We have also done that with our non-affiliates. We originate loans here and sold some to Cincinnati, Dayton, and different people and we purchase loans. When we cannot get all of our money to work here, we buy loans in other areas. That brings you to the secondary market which is in merging in this country where you just do not sit in the Mahoning Valley and make your own loans, you make what you can for what is available at the time. You sort of turn that money on and off like you would watch it like hot and cold water on a faucet. Try and control management.

C: During the 1960's interest rates started to rise in three points. There was starting to be a fluctuation. How did this effect you and continuing through the 1970's when we had our peak how did this effect your bank when you were stuck in 20 year mortgages with low rates of interest?

P: I think we had our peak in the 1980's. I think it was in 1981 or 1982. Then in 1983 the rates were coming down. Generally speaking, when we went through the 1960's and 1970's, if we had to pay more on keeping in mind that the only rates were paying was on regular passbook savings all we would do would adjust our lending rates a little bit. If we had to pay a 1/4% more and it do go up from 4% to 6% in increments. We had to increase our passbook rate a ½%, we would start lending it a 1/2% higher at 6 ½%, 6 3/4%, or 7%. I can remember these. Over a period of time, we got involved with the CDS. Then there was a period of time that we got involved in variable rates. We would make a mortgage loan tied to our passbook rate. If we had a passbook rate and that mortgage would just renew, his rate would just go up a little bit. That is how we handled the rate increases. The problem is you have heard from every institution you have talked to was that the savings and loan with their solely pure mortgage portfolio on a resident house got locked into 25 and 30 year loans at 6%, 6 ½%, or 7% and is taking a long time to get those paid off and get the variable rates or adjustable mortgage rates they call ARM's in place instead of the old fixed mortgage rate. It has been brutal. It has been so hard, but that is starting to work its way out of our portfolio and all of the other savings and loan portfolios, too.

C: You were making business loans through the 1960's?

P: No. We were making real estate mortgages. There had been a business who came into get a real estate mortgage loan, but they had to have real estate for security and collateral.

C: You were not involved in the steel industry, were you?

P: Only through their worker and employees were we involved. We had an awful lot of good steel customers here who were salt of the earth and savers with their homes in Campbell, Struthers, Lowelville, East Side, West Side, and Youngstown. They were really a fine group of people who were caught up in the demise of the steel mills and then fell the demise of the transportation industry around here. Now what are we left with? We have General Motors in Lordstown, Packard Electric, the hospitals, the University and small little businesses. I think we have adjusted really good with the demise of the steel mills.

C: What happened? I know that there were not a lot of foreclosures despite the fact the several thousand people lost their jobs. What did you do?

P: We did notice that. We did, with patience, worked with these steel workers who lost their jobs. Many of them had mortgages and lost their savings accounts too. Most of them were very frugal people. I think we recognize with both of you ladies sitting here that ladies, wives, partners, and spouses have made up a lot more of the work force now and most of those families the wife is earning and income it was the husband who brought in the income previously. I remember 30 years ago when my father lost his job and that was the end of the income. But now because the steel worker husband lost his job, it does not.

C: Was it not necessary, thought, to launch any additional programs or make adjustments for people at least in the transitional period?

P: Only on a one on one basis we would listen to them and talk to them. If they needed some time and could only pay the interest and the taxes and insurance on the property, we would work out things with them. They were not, in the long run, going to stick us. They are not the one who caused us any problems. I mean the steel workers.

C: That was a good point. I did expect the people to start foreclosing. I noticed that the banks had cooperated.

P: That is not our business. We lose money on every bad loan for our businesses to try to work things out with the people. If they come in and sit there and say they are not going to pay you or if they run away and hide of move away and we cannot find them, they are the ones who leave us with no alternative. When we foreclose and we have a few, it is only because it was less than one percent of a borrowers who really do not care. If some one cares, there is a way to help him save his home that is above his head. We never foreclose on a person who really cares about saving his house for himself and his wife and his family.

C: What are you looking forward to in the future when you talk about deregulating or do you plan on getting into or how do you plan on Metropolitan evolving?

P: How I plan on Metropolitan evolving is not solely dependent on Ray Perkins now that we have merged and we have partners and our owners over in Pennsylvania. I think a lot depends upon the federal financial system. When I say that, I am thinking of three branches: the Federal Reserve, FDIC, and FSLIC. FDIC insures banks and FSLIC, which is a member of the Federal Home Bank Board or part of it, insures savings and loans. Metropolitan, our selves and this is a question directed at Metropolitan, have very strong reserves because of our partnership across the state line. Our reserves are strong enough, should we so desire or if we decide, we can, I am reasonably sure, drop out of FSLIC and go FDIC and become a bank. A signed and pure bank as our sister companies are. That would have advantages and also have some disadvantages too. They are being weighed very carefully. I would think by the end of the year, we will know whether we are going to stick to FSLIC and the Federal Home and Bank Board System and play that game to our very best in the state of Ohio here, or we will know if we are going to attempt to abandon FSLIC and go FDIC and become a bank like Bank One, Society, Mahoning, and Dollar. The decision has not been made but it is being studied.

C: What are some thing you are considering?

P: We are considering how demanding, how brutal, quote unquote, how restrictive the Federal Home and Bank Board is going to be upon us, Metropolitan a fine company with strong reserves. How I feel is this: Federal Home and Bank Board System when the crisis came along that year exerted every measure of pound and flesh on these 69 companies to let us come into their private club. When they at the same time have companies who are under water and have one percent reserves or two percent reserves or negative reserves, they made us have over five percent reserves. If they would let us have the same added reserves of all their members had we would not have to merge. We had those reserves. They made us go up to five percent. They forced us into a merger situation. I think the Federal Home Bank Board, if they devote their energies, into policizing their existing companies and do not unduly supervise and regulate us, they might not force us out of the system. Do you understand what I am trying to say?

C: You can elaborate. Someone else might not.

P: If they are too harsh on us and we want to be good, we do not need them or the state examiners telling us that we do not need bad moans. We want to be good in among ourselves. We have been good for 63 years. By good, I mean operating soundly and not rashly and recognizing that we operate for the benefit of the community and for the shareholders, employees, and build strong reserves and maintain strong reserves and not go off on crazy tangents which will get our company into trouble and then go back and get the system in trouble. If they recognize that we are responsible enough and doing that and they do not unduly impose regulations on us, we might find that coupled along with the federal taxing laws, it might be beneficial to stay in the system. There is a lot involved. As a savings and loan we are taxed differently than a commercial bank. Did you know that?

C: No.

P: You have this on tape and subject to refinements. If we maintain a certain percentage of our portfolio of loans and residential mortgages, we are then deemed as a domestic building and loan as verses or compared to a commercial bank. The federal taxing laws are different for domestic building and loan then for commercial banks. As we mentioned before as a savings and loan, we can only have 10% or our assets in commercial loans. You make these commercial loans on 90 day notice, so every 90 days you have a change to look at the interest rate with that borrower and say, "Okay 90 days ago we were only paying 7% of our for our money and we only charges you 9 ½%. Today we are paying 8% for our money and in 90 days when we rewrite your loan we mark 10 ½%. The banks have never been locked in on their commercial loans as the savings and loans have been locked in on their real estate mortgage loans for 25 and 30 years. We are just now, in the last three or four years, getting away from being locked in on fixed rate loans.

Here is another very important point that you or anyone else will take a look at the end of the year at the commercial banks financial statements and of you can figure out how much and find out how much in savings deposits they have, they do not pay a pennies interest. If you want, make that a study sometime on your own and find out. I love the Mahoning Bank, the Dollar Bank, and People's and Society, but they have millions of dollars where they do not pay the depositor one cent. Every deposit that we have in Metropolitan and every depositor gets paid something for his funds here. If we have $40 million of our $190 million here in funds that we did not have to pay money on, we would break all sorts of records making rings around here. Some day, make it a point if you are still in the industry in the business of checking into the funds that commercial banks have use of that they do not pay one penny of interest for.

C: How are you able to do that?

P: I think they are able to do that by having depositors who have not paid much attention to their accounts and they are sitting on some old time accounts that they never paid interest on. I think that is how that works. Do you know how that works?

R: And the loyalties factor also contributes to that.

P: They will not take the time to go into a bank and sign a card saying I want to change my old time checking account over to a new NOW account or a money market account. Of course, are they going to advertise and write their customers letters and urge them to do that? No they are not. Leave the sleeping dogs lie. Let them alone; it has been good for us. It would be an interesting study.

C: What would become the advantages if Metropolitan would become a bank?

P: Well, we would lose our taxing advantage and that would be a disadvantage. And that is not what you asked. The advantage would be that we could make a whole lot more on these commercial loans, 90 day loans. Every 90 days we have a chance to look at that loan along with the borrower looking at it and saying okay we are going to rewrite your balance at a flexible, adjustable rate. We can tie it right into what we are paying for savings or tie it into prime rate or something like that. We will always be able to maintain this spread. If the interest rates go up in the future go up 21%, we will be getting 25%.

R: From the customers stand point, too, we are broadening our base becoming bank. We would have a tremendous advantage here and we would be actually to be toe to toe with our bank competitors.

P: Another advantage would that we would be under the same set of rules as our sister companies over in Pennsylvania, so what we would do collectively, we could find some measure in the economy of having our accounting departments over there. We all have our separate autonomous accounting departments, we would be following the same set of rules. It is quite confusing. It is quite a challenge having us run a savings in Ohio and using a separate accounting system and a different accounting system. The tax rules are different than our sister companies over there. We would all be looking at one big rule book. Rather them looking at one rule book and we look at a different rule book here. Examinations would be in line in the same.

C: Are there any advantages of staying as your are? You are doing well. That is one advantage.

P: We are doing well. The advantage would be presently knowing our system well, knowing our examination process well, and probably the tax laws being taxed as a savings and loan and not being taxed as a commercial bank. Again, we have a new tax bill coming up. What is that going to say. That is another factor we would have to consider which would have to be thought about when and if we make a decision to make a change.

C: You cannot believe how much you have grown. I do not think you can keep on growing in the future. Maybe you cannot. I do not know much about the banking field.

P: Whether we can or whether we want to is two different things. You are absolutely right. That is a very good point. I read nine bulletin last night which talked about some companies, a very small handful. They have got to solve the problems behind high interest rates to grow real fast and get a lot of incomes. They grew so fast that they outstripped their reserves. They grew fast in at the expense of some bad loans. If you do not have the reserves, you cannot handle the problems that are attentive to these bad loans. We want to control growth around here so we do not grow so fast that we outstrip your reserves. We want to at least have 5%, 6%, or 7% reserves to cover that rainy day that we had in 1981 and 1982. We will measure our growth. We want through and experience here where we can grow as fast as we want to grow. We can offer premiums. At one time we got how many thousands of NOW accounts in a given period of time and then we shut the faucet off there. We want to measure our growth with what we can do with what we can do with that growth by way of providing earnings do pay a reasonable dividend to our owners and to put a reasonable amount aside for our reserves so we do not see our 6% or 7% reserves going down to 2% or 3% like some of these companies are which are complaining about it a few months ago.

R: I think that Mr. Perkins feels that people summed it up before and just talked about management. That is what we are in the business for.

P: We spend so much time do we not? We sit around with our Senior Management Committee talking about it, what rates should we pay on our CDS, holders, or new customers, or the ones that are coming to business. What rates should we pay? We do not want to pay too much because then we are costing our company money and then we do not want to pay too little because we might be inviting people to go out the door. We just want to balance that so delicately to measure the growth. We watch all segments of our savings portfolio. We have how many different types of accounts that make up the $182 million savings that we have here.

R: We have about 13 categories.

P: We have about 13 different categories of portfolios. We measure those very carefully so that we can gauge those and try to anticipate that we are paying just right. We know that our competitors are paying and we know what we are paying. We know where we fit into the plan. Every week on Tuesday we shop what everyone else is paying and we get a chart. We try and figure out, for Metropolitan, what is our niche. What do we want, so we do to go through that 1981, 1982, and 1983 crisis again of being locked in on mortgage loans on the asset side or even locked in on the liability side of too low or too high rate. We want to have a flexible balance there so that we maintain a spread that is fair to our shareholders, depositors, customers, borrowers, and our employees.

R: And we listen to that customer. We monitor what the customer is going to do and how to respond back to the customer and how to serve the customer best.

C: For the final on a personal note, how did you become involved in banking when you have a law degree and yet you spend most of your live in the banking field?

P: I went through undergraduate school at Miami University and I was driving after graduation day with my family. I was single then. I, at that moment, did not know what I was going to do. I got back into Youngstown and I started looking for a job. I had a very good friend who was an assistant manager of the consumer credit department at Union National Bank. I had talked to him. I had nothing to do then. I was young and our of service. I said that maybe I ought to go to law school. Youngstown State University had a night law school there. During my couses of looking for a job, I got into People's Bank over here and they had a man who was the vice-president, now deceased, Melvin Hazel. The president of the bank then was Phil Sham one of the families of Youngstown. He took the bank and used the Morris Plan. It used to be called the Morris Plan Bank.

That was a plan the emanated in South Bend, Indiana, which was the fore runner the leader of installment loans to people. It used to be that they would save up money to buy their property. That was the real grand daddy of installment loans for consumer credit buying cars. Then it switched to home improvements and television sets came along. Melvin Hazel was a partner. He was vice-president of the bank and a partner of Fall, Hazel and Kerr. Ray Falls was dean of Law School at Youngstown State University. Through Melvin Hazel I took my job at $145 a month with my ABD degree. I went to night law school and studied at night time and early in the morning and got my law degree. That took four years.

By this time I had four years of consumer credit under my belt and before I graduated the Dean of the Law School, Raymond Falls who was one of the instructors there and also a partner of the People's Bank. His partner was vice-president of People's Bank, Melvin Hazel. He called me up to the desk one night just before we were getting ready to take out bar examinations. I did not even know that he knew me because I used to hide in the back of the classroom because I did not want to get called upon. He said, "Perkins, I know you do not want to practice law. I want you to go in and see David Jones and Harold Waller at Metropolitan Savings and Loan on Phelps Street. They want to talk to you." I said, "Yes sir." I would do whatever that guy told me to do. The next morning I put a tie on and a dress shirt and I think the only dress jacket I ever owned and then went to Metropolitan Savings and Loan. I had been with People's Bank for four years and I did not even know. I never heard of Metropolitan Savings and Loan. Someone had to show me on a little cubby hole on Phelps Street where they were located. I went in and talked to them and they ended up hiring me, at $485 a month.

I got involved with Metropolitan Savings Bank that way. I saw tremendous opportunities. We were $2 million or $2.5 million in size. I saw the potential and I was going to be able to work with David Jones and Harold Waller. David Jones was president for many years. We just grew up together. I grew up with our company. We grew up through the chairman and the high deposit guarantee fund. We grew up with that. I guess it just created my love for the industry and for the Metropolitan Savings Bank and Loan which is now the Metropolitan Savings Bank. I do not know what else I can tell you.

C: Thank you very much.

P: Thank you very much.

R: We were glad to have you.

C: Would you like to add?

P: Not that I can think of. You are welcome to come down here at any time and talk with me or with Lynn. There is a story to be told with the Ohio Crisis. There really is. If you think of our history, I think it might be one of the first and only times where the governor has closed the financial institutions. Roosevelt closed some institutions back in the Depression. Has there ever been a governor that closed a financial institution in the state of Ohio? That could halt the institutions. We are and always have been a very healthy institution. I am not knocking the governor at all. He probably in retrospect, did what he had to do at the time. Maryland has had the same problem. They still do not have their institutions opened down there. There is a tremendous story if someone ever wants to get into the Ohio Crisis.

C: Oh, I definitely do.

R: Janice, thank you very much.

End of Interview