

**FEDERAL RESERVE BANK**  
**OF DALLAS**

Dallas, Texas, October 27, 1960

**AMENDMENTS TO SUPPLEMENT TO REGULATION D**

**To All Member Banks of the  
Eleventh Federal Reserve District:**

The Board of Governors of the Federal Reserve System announced on October 26, 1960, that it had amended the Supplement to Regulation D, relating to bank reserves and reserve requirements, in three respects effective on the dates shown below:

1. Effective November 24, 1960, all member banks will be authorized to count all of their vault cash, including currency and coin in transit to or from a Federal Reserve Bank, in meeting their reserve requirements.
2. Effective November 24, 1960, the reserve requirement of "country banks" (i.e., banks not classified as central reserve city or reserve city banks) against their net demand deposits, now 11 per cent, will become 12 per cent.
3. Effective December 1, 1960, the reserve requirements of central reserve city banks against their net demand deposits, now 17½ per cent, will become 16½ per cent.

The Supplement to Regulation D has been revised to reflect the changes referred to above. A copy of the revised Supplement is attached and should be substituted for the Supplement now filed with your copy of Regulation D in the ring binder furnished you for this purpose.

Yours very truly,

Watrous H. Irons  
President

## SUPPLEMENT TO REGULATION D

### Section 204.5 — Supplement

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Effective as to all member banks at opening of business on November 24, 1960, except as otherwise indicated.

(a) **Reserve percentages.** — Pursuant to the provisions of Section 19 of the Federal Reserve Act and Section 204.2 (a), but subject to paragraph (b) of this Section, the Board of Governors of the Federal Reserve System hereby prescribes the following reserve balances which each member bank of the Federal Reserve System is required to maintain on deposit with the Federal Reserve Bank of its district:

- (1) If not in a reserve or central reserve city —
  - (i) 5 per cent of its time deposits, plus
  - (ii) 12 per cent of its net demand deposits.

- (2) If in a reserve city (except as to any bank located in such a city which is permitted by the Board of Governors of the Federal Reserve System, pursuant to Section 204.2 (a) (2), to maintain the reserves specified in subparagraph (1) of this paragraph) —
  - (i) 5 per cent of its time deposits, plus
  - (ii) 16½ per cent of its net demand deposits.

- (3) If in a central reserve city (except as to any bank located in such a city which is permitted by the Board of Governors of the Federal Reserve System, pursuant to Section 204.2 (a) (2), to maintain the reserves specified in subparagraph (1) or (2) of this paragraph) —
  - (i) 5 per cent of its time deposits, plus
  - (ii) 17½ per cent of its net demand deposits until the opening of business on December 1, 1960, and 16½ per cent of its net demand deposits thereafter.

(b) **Counting of currency and coin.** — The amount of a member bank's currency and coin shall be counted in partial compliance with the reserve requirements of paragraph (a) of this Section.