

Minutes for March 13, 1957.

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, if you were present at the meeting, please initial in column A below to indicate that you approve the minutes. If you were not present, please initial in column B below to indicate that you have seen the minutes.

	A	B
Chm. Martin	X <u>mm</u>	_____
Gov. Szymczak	X <u>[Signature]</u>	_____
Gov. Vardaman	X _____	_____
Gov. Mills	X <u>[Signature]</u>	_____
Gov. Robertson	X _____	_____
Gov. Balderston	X <u>COB</u>	_____
Gov. Shepardson	X <u>[Signature]</u>	_____

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, March 13, 1957. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman
 Mr. Balderston, Vice Chairman
 Mr. Szymczak
 Mr. Vardaman
 Mr. Mills 1/
 Mr. Robertson
 Mr. Shepardson

Mr. Carpenter, Secretary
 Mr. Kenyon, Assistant Secretary
 Mr. Riefler, Assistant to the Chairman
 Mr. Vest, General Counsel
 Mr. Young, Director, Division of Research and Statistics
 Mr. Sloan, Director, Division of Examinations
 Mr. Molony, Special Assistant to the Board
 Mr. Hackley, Associate General Counsel
 Mr. O'Connell, Assistant General Counsel
 Mr. Masters, Associate Director, Division of Examinations
 Mr. Thompson, Supervisory Review Examiner, Division of Examinations
 Mr. Hald, Economist, Division of Research and Statistics

Hearing on applications under Bank Holding Company Act. In connection with the current hearing on applications of The First National City Bank of New York, et al, under the Bank Holding Company Act of 1956, there had been sent to the members of the Board copies of a memorandum from Mr. O'Connell dated March 11, 1957, in which it was recalled that on February 15, 1957, the Board advised the Federal Reserve Bank of New York that in order to make the hearing record as complete as possible on the question of competition, it appeared that certain additional information might have to be obtained and introduced in the record. The

1/ Withdrew from meeting at point indicated in minutes.

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Bank was further advised not to take any steps to develop the requested information pending a study of responses made by The First National City Bank of New York to questions which had been addressed to the bank by the Department of Justice. On February 25, the Reserve Bank indicated by letter the portion of the requested material which could be obtained, and subsequent study of the responses made to the Department of Justice by First National City revealed that no duplication of effort or material would result if the New York Reserve Bank proceeded to develop information such as indicated in the Bank's letter of February 25.

The memorandum also reported a meeting at the Department of Justice on March 11, attended by the Board's Counsel, at which time it was stated that no decision had been reached by the Department as to what action, if any, it would take as a result of its investigation into the matter of whether the proposed transactions contemplated by the applications under the Bank Holding Company Act would involve violation of section 7 of the Clayton Act or other statutes. The memorandum further stated that Counsel for First National City Bank had proposed that the reconvening of the hearing be continued until Monday, March 18, rather than March 14, as now set; that the hearing examiner had indicated that he would approve the request for continuance; and that a stipulation to such effect was being prepared by applicants' counsel. In order that the Board's Counsel might be prepared on March 18, or as soon thereafter as required, to state fully the nature and

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amount of evidence that he might want to have presented, it appeared that he and Mr. Hald would have to go to New York to confer with appropriate members of the staff of the New York Reserve Bank and arrive at a determination as to the form of preparation and presentation of the material that the Reserve Bank was to prepare, and as to any other course of inquiry which might result in the production of relevant evidence.

Submitted with the memorandum was a draft of letter proposed to be sent to the Federal Reserve Bank of New York requesting it to proceed with the preparation of the requested material.

In commenting on the matters covered in his memorandum, Mr. O'Connell said that three lines of approach had been developed to obtain for the hearing record adequate information for the Board on the competitive aspects of the applications, that the information proposed to be obtained from the Federal Reserve Bank of New York would tie in closely with two of those lines of approach, and that the Department of Justice concurred in that view.

At the request of Governor Mills, Mr. O'Connell described the three lines of approach, the first of which contemplated analysis of competition between First National City Bank and County Trust Company of White Plains, in the thought that if in fact there was competition between them in any trade or geographical area, a merger would necessarily result in a lessening of competition. The second approach would constitute a study of the competitive picture assuming that the applications

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were approved, including competition between the merged units and other banking units in New York City, the metropolitan New York City area, the State of New York, Westchester County, and communities in that county. The third approach, the one taken primarily by the Department of Justice, would examine the total size of the merged institutions along with present and proposed "market occupancy".

In response to another question by Governor Mills, Mr. O'Connell also reviewed the five factors which the Board is required to consider under the Bank Holding Company Act in a matter of this kind. When Governor Mills inquired regarding the content of the hearing record from the standpoint of the four factors other than competitive aspects, Mr. O'Connell responded that a review of the transcript indicated that the record at the present time was satisfactory in reference to factual information concerning the other four factors.

Governor Mills also inquired whether the Board would be presented with a hearing record that would be merely factual in nature or whether the record would include interpretations that might be helpful in reaching a decision. Mr. O'Connell replied that the record would contain both facts and analysis as presented by the various witnesses. He felt that there would be an abundance of both facts and conclusions drawn from the material introduced into the hearing record.

Mr. Vest commented that some little time might be required to obtain for the record the material referred to by Mr. O'Connell, that Counsel for First National City Bank had been advised by Mr. O'Connell

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of the probability that it might be necessary to request a continuance of the hearing for two or three weeks, and that Counsel for First National City raised no particular question.

Governor Vardaman then asked a series of questions, to which Mr. O'Connell responded, concerning the information that the New York Bank had indicated that it could develop. Governor Vardaman said that he did not think a quantity of information should be obtained simply because it was feasible to get the information, and that he would have been interested in the judgment of Counsel for the New York Bank. He questioned the justification for delay of the hearing to secure the information proposed to be obtained by the New York Bank unless such action was considered necessary by Counsel for the Reserve Bank.

Governor Robertson expressed a different view, stating that he did not think the burden should be put on the Reserve Bank of determining what information would be necessary to provide a complete hearing record. This function, he said, had been turned over to the Board's Counsel and other experts on the Board's staff, and it was their responsibility to determine what information was required to make a complete record for use by the Board in reaching a decision. The Board could of course look into the matter itself at this stage, but unless it wished to do so, he felt that the best course was to abide by the advice of the Board's Counsel. By the same token, he would not want to force the New York Bank to give an opinion.

Chairman Martin then referred to a question that he had mentioned before in discussions by the Board concerning various aspects of the

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hearing on the applications of First National City Bank, et al; that is, whether the Board should go into procedural problems incident to the hearing unless the Board wished to assume itself the role of counsel.

Mr. Vest stated that the reason for bringing to the Board originally the proposal to ask the New York Reserve Bank to obtain additional information was that it was a rather unusual and important step, one which the staff felt that the Board might want to know about and authorize. The staff, he said, was now presenting a memorandum on the progress of the case, the probable course of future developments, and the question of asking the New York Bank to proceed to develop information of the kind outlined in the Board's previous letter. He went on to say that the legal staff was desirous of reporting to the Board whatever information the Board would like to have, and that if too much was being brought to the Board, the staff would be glad to comply with the Board's wishes.

In a further discussion, Mr. O'Connell commented that a representative of the Department of Justice had expressed the informal opinion, in response to a question by the Board's Counsel, that information such as the New York Bank would obtain would be relevant to the record in the case and that he would recommend developing the information.

At the conclusion of the discussion, the letter to the Federal Reserve Bank of New York attached to these minutes as Item No. 1 was approved, Governor Vardaman indicating that, having expressed his views, he would not vote against sending the letter.

Mr. Hald then withdrew from the meeting.

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Items which had been circulated to the Board. The following items, which had been circulated to the members of the Board and copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

	<u>Item No.</u>
Letter to the Federal Reserve Bank of New York interposing no objection to the assumption by the Bank of the increased expense involved in the adoption of certain additional Blue Shield benefits.	2
Letter to the Federal Reserve Bank of New York interposing no objection to the granting of leaves of absence to Messrs. Bloomfield, Lindsay, and Wisnovsky.	3
Letter to the Federal Reserve Bank of Atlanta approving the appointment of Messrs. Randall, Gamble, and Paden as members of the Industrial Advisory Committee for the Sixth Federal Reserve District.	4
Letter to The Provident Savings Bank and Trust Company, Cincinnati, Ohio, approving the establishment of a branch in Delhi Township, Ohio. (For transmittal through the Federal Reserve Bank of Cleveland.)	5
Letter to the Federal Reserve Bank of Chicago concurring in the view that the moving of an in-town branch of Old Kent Bank and Michigan Trust Company, Grand Rapids, Michigan, a distance of a quarter of a block would constitute a mere relocation of an existing branch.	6
Letter to the Fidelity Bank & Trust Company, Indianapolis, Indiana, approving the establishment of an in-town branch. (For transmittal through the Federal Reserve Bank of Chicago.)	7

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	<u>Item No.</u>
Letter to The Peoples Bank of Grand Haven, Grand Haven, Michigan, granting permission to exercise fiduciary powers. (For transmittal through the Federal Reserve Bank of Chicago.)	8
Letter to the Federal Reserve Bank of St. Louis approving an additional investment in bank premises by Lemay Bank and Trust Company, Lemay, Missouri.	9
Letter to the Federal Reserve Bank of St. Louis waiving the requirement of six months' notice of withdrawal from System membership for O'Bannon Banking Company, Buffalo, Missouri.	10
Letter to the Federal Deposit Insurance Corporation regarding continuance of deposit insurance after withdrawal from System membership for O'Bannon Banking Company, Buffalo, Missouri.	11
Letter to the Federal Reserve Bank of Kansas City regarding compliance with Regulation Q of a certificate of deposit proposed to be used by The First National Bank, St. Joseph, Missouri.	12
Letter to the Federal Reserve Bank of Dallas waiving the requirement of six months' notice of withdrawal from System membership for Citizens State Bank, Anton, Texas.	13
Letter to the Federal Reserve Bank of Dallas waiving the requirement of six months' notice of withdrawal from System membership for Waxahachie Bank and Trust Company, Waxahachie, Texas.	14
Letter to the Federal Reserve Bank of Dallas waiving the requirement of six months' notice of withdrawal from System membership for The Citizens State Bank, Richardson, Texas.	15
Letter to the Federal Reserve Bank of Dallas regarding the status of Consolidated American Life Insurance Co., Houston, Texas, as a bank holding company.	16

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	<u>Item No.</u>
Letter to the Presidents of all Federal Reserve Banks transmitting copies of forms for use of State member banks and their affiliates in submitting reports as of the next call date.	17
Letter to the Comptroller of the Currency requesting his views and recommendations on the proposed acquisition of stock of First National Bank of Hoyt Lakes, Hoyt Lakes, Minnesota, by Northwest Bancorporation, Minneapolis, Minnesota.	18
Letter to the Federal Deposit Insurance Corporation regarding continuance of deposit insurance after withdrawal from System membership for State Bank of Morton, Morton, Washington.	19

Rhode Island Hospital Trust Company. There had also been circulated to the members of the Board a draft of letter to the Federal Reserve Bank of Boston relating to the consolidation of two offices of Rhode Island Hospital Trust Company, Providence, Rhode Island, in a new location, but with the instalment loan department maintained at the present location of one of the branches.

Governor Mills raised a question whether it was clear from the proposed letter that the location of the instalment loan department would continue to be regarded as a branch. In view of this question, it was agreed that the file would be re-examined by Governor Robertson to ascertain whether the proposed letter was sufficiently clear on that point, with the understanding that the letter would then be sent with any changes in language that might be deemed necessary.

Secretary's Note: Pursuant to this action, the letter was reviewed by Governor Robertson, who felt that it covered satisfactorily the point raised by Governor Mills. Accordingly, the letter, a copy of which is attached to these minutes as Item No. 20, was sent today.

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Annual Report of Bank Holding Companies. There had been sent to the members of the Board copies of a memorandum dated March 7, 1957, from the Division of Examinations and the Legal Division submitting a revised draft of Form F. R. Y-6 - Annual Report - for use pursuant to section 5(c) of the Bank Holding Company Act of 1956. A previous draft of the form had been sent to the Federal Reserve Banks for comment and to the Bureau of the Budget for clearance, and was also published in the Federal Register. The revised draft was prepared after consideration of the suggestions received from all sources, and the Budget Bureau had advised informally that it would approve the revised draft.

The memorandum recommended that the form be adopted by the Board, and that the Board grant a blanket extension of time to July 1, 1957, for filing annual reports for the year 1956, in order to give the bank holding companies approximately three months from the date of receipt of the form in which to prepare and file their reports. It was proposed, if the Board approved these recommendations, to have the form printed, to publish a notice of adoption of the form in the Federal Register, and to forward copies of the form to the Federal Reserve Banks with instructions to have each bank holding company file its annual report for the year 1956.

The memorandum also discussed several minor changes made in developing the revised draft and stated reasons why it was felt that it would not be feasible to accept a suggestion which was received that Form 10-K (Annual Report) of the Securities and Exchange Commission be adopted by the Board for use by every bank holding company having securities registered with the Commission.

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Following a brief discussion, the recommendations contained in the memorandum of March 7, 1957, were approved unanimously.

Extension of time for The Fort Worth National Bank to file registration statement. On January 16, 1957, the Board extended to March 15, 1957, the time for registration by The Fort Worth National Bank, Fort Worth, Texas, pursuant to the Bank Holding Company Act of 1956 and the Board's Regulation Y, the reason being that the Board had not had an opportunity to determine whether the bank was a holding company. In a memorandum dated March 8, 1957, copies of which had been sent to the members of the Board, Mr. Vest stated that the question of the status of the national bank under the Act was involved, both factually and legally. After outlining the circumstances of the case, the memorandum recommended granting a further extension of time until May 15, 1957, for registration and requesting through the Federal Reserve Bank of Dallas certain additional information that the Board's legal staff believed necessary before a conclusion regarding the national bank's status could be reached.

Following a brief discussion of the matter, unanimous approval was given to the telegram to the Federal Reserve Bank of Dallas attached to these minutes as Item No. 21.

Messrs. Vest, Sloan, Hackley, O'Connell, Masters, and Thompson then withdrew from the meeting.

Transmittal of consumer instalment credit study. Pursuant to the understanding at the meeting on March 11, 1957, there had been sent

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to the members of the Board, with a memorandum from Mr. Young dated March 12, drafts of letters to the Chairman of the Council of Economic Advisers and the chairmen of the interested committees of Congress covering the transmittal of the Board's consumer instalment credit study.

In response to a question by Governor Vardaman regarding distribution of the study to the Federal Reserve Banks, Mr. Young stated that it was planned to send a number of copies to each Bank, and that it was planned also to send copies to each Reserve Bank Chairman and to the members of the Federal Advisory Council.

There followed a discussion based on a question by Chairman Martin whether the transmittal letters should include a statement to the effect that it probably would be some time, at least 90 days, before the Board would be prepared to express opinions on the report. He said that on the basis of the discussion at the Board meeting last Monday, he had expressed himself to the Chairman of the Council of Economic Advisers along those lines and had made a similar statement to a member of the Senate who inquired concerning the study.

During the discussion, Governor Mills withdrew from the meeting to keep another engagement. Before leaving, however, he made a suggestion for a change in the phraseology of the transmittal letters which it was understood would be incorporated.

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With regard to the point raised by Chairman Martin, it was the consensus that it would be preferable not to indicate in the letters of transmittal that the Board intended to express opinions on the basis of the report at any specific time. It was felt, also, that the letters should be so worded as not to preclude the Board from expressing its views whenever it might desire, whether or not the views of other interested parties had been stated. It was agreed that the statement made by Chairman Martin to the Chairman of the Council of Economic Advisers was appropriate. As to general statements which might be made as a consequence of the transmittal letters and the public release of the report, it was suggested that emphasis be placed on the fact that the Board was studying the report rather than the length of time which might be required for the Board to formulate its views.

Governor Robertson then made certain suggestions with regard to the phrasing of the transmittal letters which he felt would take into account the comments of Governor Mills and also certain suggestions which were made during the discussion by Governor Balderston.

The other members of the Board having expressed agreement in substance with the kind of language proposed by Governor Robertson, it was agreed unanimously to leave the final drafting of the letters to Messrs. Young and Molony, subject to final clearance by Governor Robertson. The letters sent pursuant to this action to the Chairman

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of the Council of Economic Advisers, the Chairman of the Senate Banking and Currency Committee, the members of the Federal Advisory Council, and the Chairmen of the Federal Reserve Banks are attached to these minutes as Items 22 through 25, inclusive. Letters similar to the one addressed to the Chairman of the Senate Banking and Currency Committee were sent to The Honorable Brent Spence, Chairman of the House Banking and Currency Committee, and The Honorable Wright Patman, Chairman of the Joint Economic Committee.

With further reference to the consumer instalment credit study, Mr. Young stated that an appendix volume had been prepared containing the letters received by Mr. Bailey, Special Consultant to the Board, in connection with Mr. Bailey's work on the study, and that a distribution was planned which would include the Council of Economic Advisers, the interested committees of the Congress, and the libraries of the Federal Reserve Banks, where the volume could be made available to anyone who wished to examine it. The question had been raised whether this volume should be referred to in the letter of transmittal covering the study proper or whether a separate letter of transmittal would be preferable.

It was agreed that a separate letter of transmittal would be preferable.

Mr. Molony stated that it was planned to distribute copies of the study to the press on Friday, March 15, at about 3:00 p.m., for release on March 20, and that it was intended to have members of the

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Board's staff available for the purpose of answering questions concerning the location of various kinds of material in the report.

It was agreed that the plan outlined by Mr. Molony would be satisfactory and that the distribution would be made in Room 1202 of the building rather than the Board Room.

Mr. Molony then withdrew from the meeting.

Request of Mortgage Bankers Association. Governor Balderston recalled that some time ago the Board discussed a request from the Mortgage Bankers Association that representatives of the Board appear at several meetings being planned by the Association, and that the Board, being concerned about the current workload, authorized Governor Shepardson to direct the attention of the Association to the possibility of obtaining representatives of the Federal Reserve Banks. Subsequently, he said, officials of the Association met with him, along with Governor Shepardson and Mr. Riefler, and a revised request had now been received under which Mr. Riefler would appear at a regional meeting in Texas and Mr. Noyes would participate in a regional meeting in Florida. In neither case was a prepared statement contemplated, but the Board's representative would answer questions.

Governor Balderston stated that in all the circumstances he would recommend that Messrs. Riefler and Noyes be authorized to participate and that the Mortgage Bankers Association be advised accordingly.

It was agreed that there would be no objection to proceeding on the basis recommended by Governor Balderston.

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Padding of deposits for statement purposes. Governor Robertson called attention to a letter from President Irons of the Federal Reserve Bank of Dallas on the subject of "window dressing" by banks in the Dallas District which he had circulated to the other members of the Board, and to the discussion of the general subject at the last meeting of the Board with the Federal Advisory Council. Last Monday, he said, President Irons called a meeting of the banks engaging in the practice, and at the same time a newspaper man called him (Governor Robertson) asking for general information on "window dressing". Governor Robertson said that he had talked with Mr. Irons, that there was no indication of any source of news leak concerning the matter, but that he wanted to report the matter to the Board so that it would be informed in the event of further developments. He went on to say that the conference in Dallas resulted in agreement by the banks concerned to stop the practice of padding deposits for statement purposes, although the banks would like to have a year to effect correction.

Banking situation in Arizona. Governor Vardaman referred to the study of the banking situation in Arizona which was made by the Federal Reserve Bank of San Francisco at the Board's request, and concerning which officers of the Reserve Bank met with the Board on January 14, 1957. He inquired whether consideration was planned by the Board of the recommendations made in the report by Counsel for the San Francisco Bank, and also whether it would seem advisable or

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inadvisable to furnish selected portions of the report to the banks in Arizona that were discussed in the report, with a view to obtaining their comments.

Governor Robertson stated that the report should be taken up by the Board as soon as possible in view of the information and recommendations contained in it, that in his opinion copies of portions of the report probably should be furnished to the banks concerned before any action was taken by the Board, but that he doubted whether it would be advisable to take such a step until the Board had given consideration to the report.

Governor Vardaman then stated that he considered the report a good one, although he had doubts concerning some of the recommendations contained in it, that he would study the report further during his forthcoming trip, and that the Board should feel free to go ahead with consideration of the report in his absence.

The meeting then adjourned.

Secretary's Note: On the dates indicated, Governor Shepardson approved the following items on behalf of the Board:

March 12, 1957

Letter to the Federal Reserve Bank of Chicago, a copy of which is attached to these minutes as Item No. 26, approving the designation of Richard V. Sherman as a special assistant examiner.

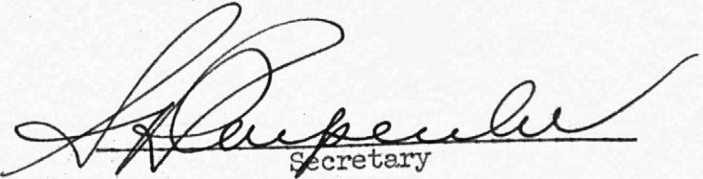
March 13, 1957

Memorandum dated March 5, 1957, from Mr. Kelleher, Assistant Director, Division of Administrative Services, recommending that the

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basic annual salary of Aaron Dortch, Messenger in that Division, be increased from \$3,085 to \$3,115, effective March 24, 1957.



Secretary

Item No. 1
3/13/57

March 13, 1957

Mr. Howard D. Crosse,
Assistant Vice President,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Crosse:

This refers to the Board's letter of February 15, 1957, and to your reply thereto of February 25, 1957, in connection with the hearing now being conducted in the matter of the application of The First National City Bank of New York, et al, to form bank holding companies.

In reference to the list of proposed questions enclosed in the Board's letter, concerning which you have advised, in itemized form, as to the extent it is deemed feasible for your Bank to develop the information called for, it now appears that development of this information to the extent indicated will be necessary for the reasons set forth in the Board's earlier letter. Further, a study of responses made by The First National City Bank to questions raised by the Department of Justice, copies of a major portion of such responses having been furnished by Counsel for the Applicant, indicates that no substantial duplication of effort or material will result in your proceeding as suggested.

It will be appreciated, therefore, if you will arrange to have begun immediately preparation of the material in the manner and to the extent described in your letter of February 25, 1957. In respect to items (f), (g), and (k) under deposits, and items (f), (g), and (l) under loans, compilation of these figures to the extent available from the banks will be most helpful. Preparation of the materials called for in items (h) under deposits and items (h), (i), and (j) under loans, as of the dates of examinations, will be satisfactory. Kindly indicate these dates on any figures so compiled.

The hearing in this matter is presently ordered to resume on March 14, 1957. However, Counsel for Applicants has indicated that he will request a continuance of such resumption to March 18. If your preparation of this material can be immediately undertaken, Board's Counsel can, following consultation with you, be in a

Mr. Howard D. Crosse

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position to advise the Hearing Examiner and Counsel for the other parties as to a date on which he expects to be ready to proceed. Mr. Thomas J. O'Connell of the Board's legal staff, designated as Board's Counsel for this hearing, will contact you in this regard in the immediate future.

Sincerely yours,

(Signed) S. R. Carpenter

S. R. Carpenter,
Secretary.

Item No.2
3/13/57

March 13, 1957

Mr. Walter H. Rozell, Jr.,
Assistant Vice President,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Rozell:

Reference is made to your letter of February 14, 1957, advising that the Board of Directors has authorized the adoption of an expanded Blue Shield Surgical-Medical Plan for officers and employees at the Head Office and the Buffalo Branch and the addition of an anesthesiology rider to the present Blue Shield Plan for those officers and employees at the Head Office who do not subscribe to the expanded Blue Shield Plan.

The Board of Governors interposes no objection to the assumption by the Federal Reserve Bank of New York of the increased expense involved in the adoption of the additional Blue Shield benefits as described in your letter.

Very truly yours,

(signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 3
3/13/57

March 13, 1957

Mr. William H. Braun, Jr.,
Assistant Secretary,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Braun:

Thank you for your letter of February 26, 1957, advising that at the meeting of your Board of Directors on February 14 the following leaves of absence were granted:

(1) Arthur I. Bloomfield, Senior Economist, was granted a leave of absence, without pay, commencing about March 31, 1957, for approximately one year, to enable him to go abroad on a Rockefeller Foundation award.

(2) J. Robert Lindsay, Jr., Economist "A", Domestic Research Division, Research Department, was granted a leave of absence, without pay, for the academic year beginning in September 1957, in order to permit Mr. Lindsay to accept a temporary appointment as associate professor in the School of Commerce, Accounts and Finance, New York University.

(3) Joseph Wisnovsky, Special Assistant, Bank Examinations Department, has been granted a leave of absence, with pay, to assist Mr. Thomas O. Waage in his work as Staff Director to the New York State Joint Legislative Committee to Revise the Banking Law, for which Mr. Waage's leave has been extended to April 8, 1957.

The Board of Governors interposes no objection to the arrangements with respect to Messrs. Bloomfield, Lindsay, and Wisnovsky, as described in your letter.

Very truly yours,

(signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 4
3/13/57

March 13, 1957

Mr. Harold T. Patterson,
Secretary of the Board of
Directors,
Federal Reserve Bank of Atlanta,
Atlanta 3, Georgia.

Dear Mr. Patterson:

The Board of Governors approves the appointments of Messrs. Luther H. Randall, Shannon M. Gamble, and Dean S. Paden as members of the Industrial Advisory Committee for the Sixth Federal Reserve District to serve for terms of one year each beginning March 1, 1957, in accordance with the action taken by the Board of Directors as reported in your letter of February 25, 1957.

Very truly yours,

(signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 5
3/13/57

March 13, 1957

Board of Directors,
The Provident Savings Bank and Trust Company,
Cincinnati, Ohio.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Cleveland, the Board of Governors of the Federal Reserve System approves the establishment of a branch in the Del-Fair Shopping Center to be developed at the southeast corner of Delhi Pike and Anderson Ferry Road, Delhi Township, Hamilton County, Ohio, by The Provident Savings Bank and Trust Company, Cincinnati, Ohio, provided the branch is established within one year from the date of this letter and the approval of the State authorities is in effect as of the date of the establishment of the branch.

Very truly yours,

(Signed Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 6
3/13/57

March 13, 1957

Mr. W. R. Diercks, Vice President,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Diercks:

Reference is made to your letter of March 1, 1957, regarding request of the Old Kent Bank and Michigan Trust Company, Grand Rapids, Michigan, for permission to move one of its branches from 1530 Grandville Avenue, S. W., Grand Rapids, Michigan, to 1500 Grandville Avenue, S. W., Grand Rapids, Michigan, a distance of approximately one quarter of a block.

We concur in your view that the proposal constitutes a mere relocation of an existing branch in the immediate neighborhood without affecting the nature of its business or the customers served, and, therefore, the approval of the Board of Governors is not necessary.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 7
3/13/57

March 13, 1957

Board of Directors,
Fidelity Bank & Trust Company,
Indianapolis, Indiana.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Chicago, the Board of Governors approves the establishment of a branch by Fidelity Bank & Trust Company at 3900 Meadows Drive, Indianapolis, Indiana, provided the branch is established within six months from the date of this letter, and approval of the State authorities is effective as of the date the branch is established.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 8
3/13/57

March 13, 1957

Board of Directors,
The Peoples Bank of Grand Haven,
Grand Haven, Michigan.

Gentlemen:

This refers to your request for permission, under applicable provisions of your condition of membership numbered 1, to exercise fiduciary powers.

Following consideration of the information submitted, the Board of Governors of the Federal Reserve System grants permission to The Peoples Bank of Grand Haven to exercise the fiduciary powers now or hereafter authorized under the terms of its charter and the laws of the State of Michigan.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 9
3/13/57

March 13, 1957

Mr. George E. Kroner, Vice President,
Federal Reserve Bank of St. Louis,
St. Louis 2, Missouri.

Dear Mr. Kroner:

Reference is made to your letter of February 25, 1957, submitting the request of the Lemay Bank and Trust Company, Lemay, Missouri, for approval, under the provisions of Section 24A of the Federal Reserve Act, of an additional investment of \$1,414.35 in bank premises.

After consideration of all available information, the Board of Governors concurs in the Reserve Bank's recommendation and approves the additional investment of \$1,414.35 in bank premises by Lemay Bank and Trust Company, Lemay, Missouri.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 10
3/13/57

March 13, 1957

Mr. Geo. E. Kroner, Vice President,
Federal Reserve Bank of St. Louis,
St. Louis 2, Missouri.

Dear Mr. Kroner:

Reference is made to your letter of February 26, 1957, enclosing a certified copy of a resolution adopted by the board of directors of O'Bannon Banking Company, Buffalo, Missouri, signifying its intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

In accordance with the bank's request, the Board of Governors waives the requirement of six months' notice of withdrawal. Accordingly, upon surrender of the Federal Reserve Bank stock issued to the bank, you are authorized to cancel such stock and make appropriate refund thereon. Under the provision of Section 10(c) of Regulation H, as amended effective September 1, 1952, the bank may accomplish termination of its membership at any time within eight months after notice of intention to withdraw is given. Please advise when cancellation is effected and refund is made.

The certificate of membership issued to the bank should be obtained, if possible, and forwarded to the Board. The State banking authorities should be advised of the bank's proposed withdrawal from membership and the date such withdrawal becomes effective.

It is our understanding that the bank has filed a formal application with the Federal Deposit Insurance Corporation for continuance of deposit insurance after withdrawal from membership.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 11
3/13/57

March 13, 1957

The Honorable H. E. Cook,
Chairman,
Federal Deposit Insurance Corporation,
Washington 25, D. C.

Dear Mr. Cook:

Reference is made to your letter of February 26, 1957, concerning the application of O'Bannon Banking Company, Buffalo, Missouri, for continuance of deposit insurance after withdrawal from membership in the Federal Reserve System.

No corrective programs have been urged upon the bank or agreed to by it which the Board of Governors believes should be incorporated as conditions to the continuance of deposit insurance.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 12
3/13/57

March 13, 1957

Mr. D. W. Woolley, Vice President,
Federal Reserve Bank of Kansas City,
Kansas City 6, Missouri.

Dear Mr. Woolley:

This is in further reference to your letter of January 30, 1957, concerning whether a certificate of deposit proposed to be used by The First National Bank, St. Joseph, Missouri, complies with the provisions of Regulation Q.

From the information submitted, it appears that the face of the proposed certificate would recite that the deposit evidenced thereby would be payable to the depositor on return of the certificate 12 months after date with interest at a certain per cent per annum payable semi-annually. A legend on the face of the certificate states that it is "continuous", that "no renewal is necessary", and refers to the reverse side of the certificate for "further provisions".

The reverse side of the certificate recites that it "shall be considered renewed automatically for an additional period of 6 months beyond its original term and thereafter for additional periods each of 6 months; unless presented for redemption within 10 days after the end of the original term or any subsequent term provided for herein, or unless the depositor shall have given written notice to the bank of his desire to redeem this Certificate 30 days prior to the original or any subsequent maturity date". It is recited further that the bank retains the right to redeem the certificate on the original or any subsequent maturity date upon 30 days' prior written notice, and reserves the right to change the interest rate for any subsequent renewal period from time to time upon 30 days' written notice prior to the beginning of such renewal.

As indicated in the Board's recent letter S-1620, a copy of which was forwarded to you with the Board's letter of February 18, 1957, in connection with this matter, the Board would have no objection to the classification of the proposed certificate as a "time certificate of deposit" merely because it would be labeled as a "Savings Certificate". However, for a certificate to be classified as a "time certificate of deposit", section 1(c) of the regulation requires that the provisions of the certificate relating to the

Mr. D. W. Woolley

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manner and terms of payment appear "on its face". Thus, as suggested in your letter, the Board agrees that the provisions which appear on the reverse side of the certificate with respect to automatic renewal and redemption are of the kind that should appear on the face of the certificate. Otherwise, the Board believes a certificate in the form proposed would be properly classifiable as a "time certificate of deposit" under the regulation.

Such a certificate in no event is payable prior to the expiration of the original 12 months' period or one of the successive renewal periods of 6 months each. Therefore, under the principle applicable to time certificates of deposit with alternate fixed maturities stated in the Board's interpretation at 1956 Federal Reserve Bulletin 833, it would be permissible for the certificate in question to bear interest at a rate not to exceed 3 per cent per annum. This conclusion would not be affected by the fact that either the bank or the depositor may prevent automatic renewal of the certificate by giving written notice of intended withdrawal or redemption 30 days prior to an automatic renewal date, as demonstrated in the Board's letter S-227 (F.R.L.S. #6283).

The additional fact that the depositor may prevent automatic renewal by presenting the certificate for payment within 10 days after the end of the original term or any subsequent renewal period, would not, in the Board's opinion, be objectionable in view of the principle established by the interpretation published at 1936 Federal Reserve Bulletin 419 and to which you referred. Of course, payment of the certificate pursuant to presentment within such 10-day period would preclude the bank from paying interest for any part of such period.

Very truly yours,

(Signed) S. R. Carpenter

S. R. Carpenter,
Secretary.

Item No. 13
3/13/57

March 13, 1957

Mr. L. G. Pondrom, Vice President,
Federal Reserve Bank of Dallas,
Dallas 13, Texas.

Dear Mr. Pondrom:

Reference is made to your letter of March 1, 1957, enclosing a true copy of a resolution adopted by the board of directors of Citizens State Bank, Anton, Texas, signifying its intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

In accordance with the bank's request, the Board of Governors waives the requirement of six months' notice of withdrawal. Accordingly, upon surrender of the Federal Reserve Bank stock issued to the bank, you are authorized to cancel such stock and make appropriate refund thereon. Under the provision of Section 10(c) of Regulation H, as amended effective September 1, 1952, the bank may accomplish termination of its membership at any time within eight months after notice of intention to withdraw is given. Please advise when cancellation is effected and refund is made.

The certificate of membership issued to the bank should be obtained, if possible, and forwarded to the Board. The State banking authorities should be advised of the bank's proposed withdrawal from membership and the date such withdrawal becomes effective.

It is our understanding that the bank has filed a formal application with the Federal Deposit Insurance Corporation for continuance of deposit insurance after withdrawal from membership.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 14
3/13/57

March 13, 1957

Mr. L. G. Pondrom, Vice President,
Federal Reserve Bank of Dallas,
Dallas 13, Texas.

Dear Mr. Pondrom:

Reference is made to your letter of March 1, 1957, enclosing a photostatic copy of a resolution adopted by the board of directors of Waxahachie Bank and Trust Company, Waxahachie, Texas, signifying its intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

In accordance with the bank's request, the Board of Governors waives the requirement of six months' notice of withdrawal. Accordingly, upon surrender of the Federal Reserve Bank stock issued to the bank, you are authorized to cancel such stock and make appropriate refund thereon. Under the provision of Section 10(c) of Regulation H, as amended effective September 1, 1952, the bank may accomplish termination of its membership at any time within eight months after notice of intention to withdraw is given. Please advise when cancellation is effected and refund is made.

The certificate of membership issued to the bank should be obtained, if possible, and forwarded to the Board. The State banking authorities should be advised of the bank's proposed withdrawal from membership and the date such withdrawal becomes effective.

It is our understanding that the bank has not filed a formal application with the Federal Deposit Insurance Corporation for continuance of deposit insurance after withdrawal from membership.

Very truly yours,

(signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 15
3/13/57

March 13, 1957

Mr. L. G. Pondrom, Vice President,
Federal Reserve Bank of Dallas,
Dallas 13, Texas.

Dear Mr. Pondrom:

Reference is made to your letter of March 1, 1957, enclosing a true copy of a resolution adopted by the board of directors of The Citizens State Bank, Richardson, Texas, signifying its intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

In accordance with the bank's request, the Board of Governors waives the requirement of six months' notice of withdrawal. Accordingly, upon surrender of the Federal Reserve Bank stock issued to the bank, you are authorized to cancel such stock and make appropriate refund thereon. Under the provision of Section 10(c) of Regulation H, as amended effective September 1, 1952, the bank may accomplish termination of its membership at any time within eight months after notice of intention to withdraw is given. Please advise when cancellation is effected and refund is made.

The certificate of membership issued to the bank should be obtained, if possible, and forwarded to the Board. The State banking authorities should be advised of the bank's proposed withdrawal from membership and the date such withdrawal becomes effective.

It is our understanding that the bank has filed a formal application with the Federal Deposit Insurance Corporation for continuance of deposit insurance after withdrawal from membership.

Very truly yours,

(signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 16
3/13/57

March 13, 1957

Mr. L. G. Pondrom, Vice President,
Federal Reserve Bank of Dallas,
Dallas 13, Texas.

Dear Mr. Pondrom:

This refers to your letter of February 4, 1957, transmitting along with other enclosures, a registration statement filed by Consolidated American Life Insurance Co., Houston, Texas, pursuant to the Bank Holding Company Act of 1956, together with a supplemental registration statement, which statements were received by your Bank on January 14, 1957, and January 28, 1957, respectively.

It is understood from the Company's supplemental registration statement that on May 9, 1956, the Company owned more than 25 per cent of the voting shares of three banks. It is stated, however, in the Company's registration statement that as of January 9, 1957, the Company owned more than 25 per cent of the voting shares of only one bank, The First National Bank of Raymondville, Raymondville, Texas. It is assumed that the Company not only does not own more than 25 per cent of the shares of any other bank, but that it does not directly or indirectly own, control, or hold with power to vote 25 per cent or more of the voting shares of any bank holding company or control in any manner the election of a majority of the directors of each of two or more banks, or that trustees do not hold for the benefit of the shareholders or members of the Company 25 per cent or more of the voting shares of each of two or more banks or a bank holding company, and that the Company has not become a successor to any company falling within the definitions set forth in section 2(a) of Regulation Y.

On the basis of this assumption, and its understanding of the facts as stated above, the Board is of the opinion that Consolidated American Life Insurance Co. has ceased to be a bank holding company within the meaning of the Bank Holding Company Act of 1956. It should be mentioned, of course, that, while administration of the Act is vested in the Board, its enforcement as a criminal statute falls within the jurisdiction of the Department of Justice, and conceivably the Board's

Mr. L. G. Pondrom

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interpretation might not be followed by that Department if it should have occasion to consider the matter.

Since the Company is not now a bank holding company, it will not be necessary for it to file any annual report.

It will be appreciated if you will advise the Company of the substance of this letter.

Very truly yours,

(signed) S. R. Carpenter

S. R. Carpenter,
Secretary.

Item No. 17
3/13/57

Dear Sir:

The indicated number of copies of the following forms are being forwarded to your Bank under separate cover for use of State member banks and their affiliates in submitting reports as of the next call date. A copy of each form is attached.

Number of
copies

Form F.R. 105 (Call No. 143), Report of condition of State member banks.

Form F.R. 105e (Revised November 1955), Publisher's copy of report of condition of State member banks.

Form F.R. 105e-1 (Revised November 1955), Publisher's copy of report of condition of State member banks.

Form F.R. 105e-2 (Revised November 1955), Publisher's copy supplement.

Form F.R. 220 (Revised March 1952), Report of affiliate or holding company affiliate.

Form F.R. 220a (Revised March 1952), Publisher's copy of report of affiliate or holding company affiliate.

All of the forms are the same as those used on December 31, 1956.

Very truly yours,

(Signed) S. R. Carpenter

S. R. Carpenter,
Secretary

Enclosures

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS

Item No. 18
3/13/57

March 13, 1957

BY MESSENGER

The Honorable,
The Comptroller of the Currency,
Washington 25, D. C.

My dear Mr. Comptroller:

In accordance with the provisions of section 3(b) of the Bank Holding Company Act of 1956, you are advised that Northwest Bancorporation, Minneapolis, Minnesota, a bank holding company, has made application to this Board pursuant to the Bank Holding Company Act of 1956 for the prior approval by the Board of the acquisition of 1,200 shares of the capital stock of First National Bank of Hoyt Lakes, Hoyt Lakes, Minnesota. There is enclosed for your information a copy of the application.

It will be appreciated if you will advise the Board in writing of your views and recommendations with respect to this application.

The date of receipt of this letter by your office must be made a part of the Board's records with respect to the application. Therefore, it will be appreciated if the enclosed copy of the letter is signed and returned with the date of receipt indicated thereon.

Very truly yours,

(Signed) S. R. Carpenter

S. R. Carpenter,
Secretary

Enclosure

Item No. 19
3/13/57

March 13, 1957

The Honorable H. E. Cook,
Chairman,
Federal Deposit Insurance Corporation,
Washington 25, D. C.

Dear Mr. Cook:

Reference is made to your letter of February 26, 1957, concerning the application of State Bank of Morton, Morton, Washington, for continuance of deposit insurance after withdrawal from membership in the Federal Reserve System.

No corrective programs have been urged upon the bank or agreed to by it which the Board of Governors believes should be incorporated as conditions to the continuance of deposit insurance.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 20
3/13/57

March 13, 1957

Mr. E. O. Latham, First Vice President,
Federal Reserve Bank of Boston,
Boston 6, Massachusetts.

Dear Mr. Latham:

Reference is made to your letter of February 27, 1957, with respect to the consolidation of the present Commerce and Phenix offices of the Rhode Island Hospital Trust Company, Providence, Rhode Island, in a new location at the corner of Dorrance and Westminster Streets in Providence.

In September 1956, you advised the Board of the proposed consolidation of these two branches at a new location, and you were informed in a letter of October 12, 1956, that this proposal appeared to constitute the mere relocation of existing branches in the immediate area without affecting the nature of business or customers served and, therefore, the approval of the Board of Governors was unnecessary. It now appears that the trust company plans to maintain its installment loan department on the second floor of the building presently occupied by the Commerce Branch at 146 Westminster Street and, from the information submitted, it is evident that this would continue to be a branch operation. It is understood that the general banking business now being conducted at the Commerce office, as well as all of the business now conducted at the Phenix office, will be transferred to the new location at the corner of Dorrance and Westminster Streets. It is further understood that no banking operations will be carried on at the present location of the Phenix office after the proposed consolidation is effected.

Mr. E. O. Latham

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From the information submitted, it appears that this proposal constitutes a mere relocation of the Phenix Branch together with part of the business of the Commerce Branch to a new site in the immediate neighborhood without affecting the nature of the business or customers served, and we concur in your view that approval of the Board of Governors is unnecessary.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Item No. 21
3/13/57

March 13, 1957

Pondrom - Dallas

Reference is made to the Board's wire of January 16, 1957 in which the time for The Fort Worth National Bank to register under the Bank Holding Company Act of 1956 was extended to March 15, 1957 pending determination as to whether The Fort Worth National Bank is a bank holding company under the Act.

The Board has had this matter under consideration, but has not reached a conclusion since it is believed that there is not enough information on which it could make a determination. In this connection, the Board desires that your Bank obtain and forward to it a copy of each of the trust agreements pursuant to which trustees hold for benefit of stockholders of The Fort Worth National Bank, all of the common stock with full voting rights of Trinity Investment Company and Fort Worth Investment Company, respectively. It would be helpful to the Board to know the origin and purpose of the trust arrangements and the situation which existed prior to such arrangements. Also, any supplemental information or views which your Bank would care to submit will be appreciated.

For the reasons indicated, the Board hereby further extends until May 15, 1957 the time for registration by The Fort Worth National Bank, pursuant to the Bank Holding Company Act of 1956.

(Signed) S. R. Carpenter

Carpenter.

Item No. 22
3/13/57

March 15, 1957

The Honorable Raymond J. Saulnier, Chairman,
Council of Economic Advisers,
Executive Office Building,
Washington 25, D. C.

Dear Dr. Saulnier:

We are sending to you by messenger with this letter 25 pre-release copies of the study of consumer instalment credit, by the Board's staff, undertaken for the Board last spring on request of the Council of Economic Advisers at the direction of the President. In accordance with our oral understanding, these copies are for such distribution as you may think desirable within the Executive establishment; the Board will limit its pre-release copies to the Chairmen and staff of the interested Congressional Committees, to the Presidents and Chairmen of the Federal Reserve Banks, to the members of the Federal Advisory Council, to persons or institutions cooperating in supplying information for the study, and to representatives of the press for release on Wednesday morning, March 20. On this date, copies will also be available for sale to the public by the Superintendent of Documents.

Of the six volumes containing the results of the study, five have been printed to date; the final volume will not be available for distribution for several more weeks. The Board feels that it is desirable to make the five completed volumes available to all interested persons without delay in order that there can be a judicious weighing by all concerned of the pros and cons of the need for a specific authority to regulate consumer credit. The sixth volume will be sent to you as soon as it is available.

Sincerely,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Item No. 23
3/13/57

March 15, 1957

The Honorable J. W. Fulbright, Chairman,
Committee on Banking and Currency,
United States Senate,
Washington 25, D. C.

Dear Mr. Chairman:

We are sending to you and your Committee's staff by messenger with this letter pre-release copies of the study of consumer instalment credit, by the Board's staff, undertaken for the Board last spring on request of the Chairman of the Council of Economic Advisers at the direction of the President.

Of the six volumes containing the results of the study, five have been printed to date; the final volume will not be available for distribution for several more weeks. The Board feels that it is desirable to make the five completed volumes available to all interested persons without delay in order that there can be a judicious weighing by all concerned of the pros and cons of the need for a specific authority to regulate consumer credit. The sixth volume will be sent to you as soon as it is available.

Pre-release copies of the study are being given today to the Council of Economic Advisers; and also furnished to representatives of the press for release on Wednesday morning, March 20. We shall be glad to provide additional copies for the use of your Committee, if you so desire.

Sincerely,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Item No. 24
3/13/57

March 15, 1957

Dear

We are sending to you today the first five volumes of the study of consumer instalment credit, undertaken by the Board's staff last spring on request to the Board from the Chairman of the Council of Economic Advisers at the direction of the President. A copy of a letter of this date to the Chairman of the Council is attached.

The study comprises six volumes and we had hoped originally to distribute all six at this time. It appears impossible to provide copies of the sixth volume for several more weeks and, rather than delay for so long a period, the five completed volumes are being sent to you now. The sixth volume will be forwarded to you later as soon as it is available.

The volumes are being given today to representatives of the press for release Wednesday morning, March 20.

Sincerely yours,

(signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Enclosure

To the Chairmen of all Federal Reserve Banks

Item No. 25
3/13/57

March 15, 1957

Dear

You will recall that when the Board of Governors discussed with you last spring the study of consumer instalment credit, undertaken by its staff on request to the Board from the Chairman of the Council of Economic Advisers at the direction of the President, some members of your Council expressed a desire to receive a copy of the text of the study at the earliest feasible date.

We are sending to each member of the Federal Advisory Council today five of the six volumes making up the study. A copy of a letter of this date to the Chairman of the Council of Economic Advisers is attached. Originally we had hoped to have all of the six volumes available at this time. It now appears impossible to provide copies of the sixth volume for several more weeks, and, rather than delay for so long a period, the five completed volumes are being sent to you now. The sixth volume will be sent to you as soon as it is available.

The volumes are being given today to representatives of the press for release Wednesday morning, March 20.

Sincerely yours,

(signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Enclosure

To the members and Secretary of the Federal Advisory Council

Item No. 26
3/13/57

March 12, 1957

Mr. C. J. Scanlon, Chief Examiner,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Scanlon:

In accordance with the request contained in your letter of March 7, 1957, the Board approves the designation of Richard V. Sherman as a special assistant examiner for the Federal Reserve Bank of Chicago. Please advise as to the date upon which the designation is made effective.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.