

Minutes for June 28, 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>M</u>	_____
Gov. Szymczak	x <u>[Signature]</u>	_____
Gov. Vardaman	x <u>0</u>	_____
Gov. Mills	x <u>[Signature]</u>	_____
Gov. Robertson	x <u>R</u>	_____
Gov. Balderston	_____	x <u>CCB</u>
Gov. Shepardson	x <u>[Signature]</u>	_____

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, June 28, 1957. The Board met in the Board Room at 10:00 a.m.

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

Mr. Sherman, Assistant Secretary
 Mr. Kenyon, Assistant Secretary
 Mr. Leonard, Director, Division
 of Bank Operations
 Mr. Hackley, General Counsel
 Mr. Molony, Special Assistant to
 the Board
 Mr. Noyes, Adviser, Division of
 Research and Statistics
 Mr. Masters, Associate Director,
 Division of Examinations
 Mr. Hostrup, Assistant Director,
 Division of Examinations

Items 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 regarding an extension of the services of Harvey Fleetwood, Jr., as an adviser to the Central Bank of Paraguay.	1
Letter to the Federal Reserve Bank of Kansas City approving the payment of salaries to Messrs. Handford, Euans, and Snider at rates fixed by the Board of Directors.	2

1/ Entered meeting at point indicated in minutes.

6/28/57

-2-

	<u>Item No.</u>
Letter to Central Bank and Trust Company, Great Neck, New York, approving the establishment of a branch in North Hempstead, New York. (For transmittal through the Federal Reserve Bank of New York.)	3
Letter to Long Island Trust Company, Garden City, New York, consenting to its proposed merger with The Freeport Bank of Freeport, New York, and approving the establishment of a branch in Freeport. (For transmittal through the Federal Reserve Bank of New York.)	4
Letter to the Federal Reserve Bank of Richmond concurring in the view that a proposed change in the location of the Petersburg branch of The Bank of Virginia, Richmond, Virginia, would constitute a mere relocation of the existing branch.	5
Letter to Citizens State Bank, Tupelo, Mississippi, approving the temporary establishment of a branch in the present quarters of the bank's main office following the transfer of the main office to new quarters, and an investment of not to exceed \$295,000 for the purpose of constructing such new quarters.	6
Letter to the Federal Reserve Bank of St. Louis regarding the preceding item.	7
Letter to The First National Bank of Tulia, Tulia, Texas, approving its application for fiduciary powers. (For transmittal through the Federal Reserve Bank of Dallas.)	8
Letter to the Federal Reserve Bank of Minneapolis extending the time within which Bank Shares Incorporated, Minneapolis, Minnesota, may file its annual report for 1956.	9
Letter to First Security Corporation, Salt Lake City, Utah, with respect to a plan involving transfer of the Corporation's bank shares and certain other assets to a newly created corporation. (With a copy to the Federal Reserve Bank of San Francisco.)	10

6/28/57

-3-

	<u>Item No.</u>
Letter to the Bank Commissioner of the State of Utah requesting views and recommendations with respect to an application by First Security Corporation, Salt Lake City, Utah, for prior approval by the Board of the acquisition of stock of Union Bank & Trust Company, also of Salt Lake City. (With a copy to the Federal Reserve Bank of San Francisco.)	11
Letter to the Comptroller of the Currency requesting that an order be placed with the Bureau of Engraving and Printing for printing Federal Reserve notes during the fiscal year ending June 30, 1958.	12
Letter to the Bureau of the Budget regarding the establishment of an interagency committee to consider problems associated with automatic data processing systems within the Government.	13
Memorandum from the Division of Examinations requesting approval of a proposed revision of Form F.R. 314, Report of Condition of Foreign Banking Corporations and Foreign Financing Corporations.	14

Discount rates. There were presented telegrams proposed to be sent to the following Federal Reserve Banks approving the establishment without change by the respective Banks on the dates indicated of the rates of discount and purchase in their existing schedules:

Atlanta	June 25
San Francisco	June 26
New York	June 27
Cleveland	June 27
Chicago	June 27
St. Louis	June 27
Minneapolis	June 27
Kansas City	June 27
Dallas	June 27

The telegrams were approved unanimously.

6/28/57

-4-

Revised salary structure for official positions at the Federal Reserve Bank of Chicago (Item No. 15). There had been circulated to the members of the Board a file relating to the request of the Federal Reserve Bank of Chicago for approval of a proposed revised salary structure for official positions (exclusive of the President and First Vice President). Pursuant to a suggestion by Governor Balderston, the Division of Personnel Administration had discussed with the Chicago Reserve Bank the possibility of consolidating two of the five salary groups for official positions at the Bank, and the current request of the Reserve Bank reflected agreement with this suggestion. In the opinion of the Division of Personnel Administration, the proposal provided a satisfactory line of progression and a satisfactory overlap between groups. Accordingly, there was submitted with the file a draft of letter to the Chicago Reserve Bank which would indicate that the Board approved the revised salary structure for official positions, effective as of the date of Board action.

Following a discussion, the letter was approved, Governor Vardaman voting "no". In stating the reason for his vote, Governor Vardaman said that he would not favor any further adjustments of this kind in the salary structures of the respective Federal Reserve Banks until a complete check had been made on the personnel picture throughout the Federal Reserve System. A copy of the letter sent pursuant to this action is attached to these minutes as Item No. 15.

6/28/57

-5-

Requests for authority to retain certain Reserve Bank employees in active service beyond normal retirement dates. There had been circulated to the Board files relating to requests from five Federal Reserve Banks for authority to retain certain employees at the respective Banks in active service beyond normal retirement dates. In each instance, the reason for the request was to enable the employee to remain in active service long enough to receive the benefits which would result from the proposed changes in the Bank Plan of the Retirement System of the Federal Reserve Banks. Drafts of letters to the respective Reserve Banks had been submitted by the Division of Personnel Administration which would approve each request, subject to a proviso that the extension of service would not continue any longer than necessary to make the individual concerned eligible for the additional benefits.

In this connection, Governor Vardaman raised several questions having to do with the uniformity of treatment of Federal Reserve Bank employees in this respect. He suggested that retention in service of certain employees beyond the normal retirement date might not be equitable to other employees who had retired somewhat earlier.

In a discussion of the points raised by Governor Vardaman, reference was made to the circumstances under which Mr. Powell, President of the Federal Reserve Bank of Minneapolis, relinquished his duties as President of the Bank effective March 31, 1957, but was retained in the capacity of Economic Adviser for a period up to six months in view of

6/28/57

-6-

the prospect of adoption of the proposed changes in the Retirement System. It was pointed out that the retention of employees beyond normal retirement age, with the Board's approval, was within the purview of existing regulations and that presumably there would be no extra operating expense to the Reserve Banks if the employees retained in active service were not replaced until the termination of such service.

Further discussion developed the fact that when the Civil Service Retirement Act was amended effective October 1, 1956, Civil Service employees were permitted to remain in active service from the date of enactment of the legislation until the date that the increased benefits became effective. This procedure also was approved by the Board in the case of employees covered by the Board Plan of the Retirement System of the Federal Reserve Banks when the changes in the Civil Service Retirement System were incorporated into the Board Plan.

The comment then was made that, according to information available to the Board's staff, requests for extension of active service were not being made by the Reserve Banks in all cases. Mr. Sprecher, Assistant Director of the Division of Personnel Administration, who was called into the meeting at this point, verified that at least one Reserve Bank employee reportedly had been retired within recent months upon reaching the normal retirement age without a request by the Bank to retain him pending a decision on the proposed changes in the Retirement System.

6/28/57

-7-

This led Governor Mills to suggest that the matter be explored further from the standpoint that variations in procedure from one case to another might result in jeopardizing the tax-exempt status of the Retirement System.

Governor Robertson then suggested that the first step be to clarify the factual situation by having the staff ascertain from the Retirement System office the extent to which employees of the Reserve Banks had retired since the date that the Board authorized the Federal Reserve Bank of Minneapolis to retain Mr. Powell as Economic Adviser after he had relinquished his position as President of the Bank.

There was unanimous agreement that such information should be obtained, and it was understood that the Board would then give further consideration to the current requests by five Federal Reserve Banks to retain individuals in active service beyond the normal dates of retirement.

Mr. Sprecher then withdrew from the meeting.

Sale of Louisville Branch property (Item No. 16). Telegrams dated June 26 and 27, 1957, had been received from Mr. Johns, President of the Federal Reserve Bank of St. Louis, regarding a firm offer received by the Reserve Bank from the Louisville Home Federal Savings and Loan Association to purchase the property of the Louisville Branch for \$300,000. Earnest money of \$25,000 had been deposited with the realtors, and conveyance and final payment would be made whenever the Federal Reserve Bank

6/28/57

-8-

was ready to vacate the property. The second telegram stated that the Bank's Executive Committee had authorized acceptance of the offer, subject to approval of the Board of Governors. A proposed reply telegram had been circulated to the members of the Board which would approve the sale of the property at the price mentioned.

Following a brief discussion, the telegram was approved unanimously. A copy is attached hereto as Item No. 16.

Proposed changes in the Bank Plan of the Retirement System of the Federal Reserve Banks. Pursuant to the action taken by the Board on June 26, 1957, with respect to the proposed changes in the Bank Plan of the Retirement System, there had been prepared a draft of letter to Mr. Johns, as Chairman of the Board of Trustees of the Retirement System of the Federal Reserve Banks, which would constitute formal notification of the Board's position in the matter. The letter would indicate that the Board was prepared to give favorable consideration to amendments to the Rules and Regulations adopted by the Board of Trustees of the Retirement System which would place in effect the recommendations made by the Special Joint Committee for changes in the Retirement System, as modified by the suggestion made in paragraph numbered 5 of the letter addressed to the Board by Industrial Relations Counselors Service, Inc., under date of May 15, 1957.

6/28/57

-9-

After Mr. Sherman had read the proposed letter and had responded to questions regarding the procedures necessary to carry the proposed changes in the Bank Plan into effect, Governor Vardaman said that although he had no objection to the letter, he thought that before it was sent the Board should make a decision with respect to whether there should be a public announcement concerning the matter.

Governor Mills then suggested that various aspects of this question be discussed by the Board with Messrs. Sherman and Molony present. Accordingly, the other members of the staff who were present withdrew from the meeting.

Governor Vardaman stated that he had informed Governor Shepardson of his intention to bring up at the next meeting when all members of the Board were present the subject of having one member of the Board responsible for the management of the Board's personnel with a view to having the Board re-examine this assignment.

Governor Mills commented that there seemed to have been a tendency for staff members who entered meetings of the Board in order to be present for specific discussions of subjects to remain for other parts of the meetings and, after a brief discussion, Governor Szymczak asked Governor Shepardson to look into this question to see whether any change in present practices should be made.

6/28/57

-10-

Changes in the Bank Plan of the Retirement System of the Federal Reserve Banks (Items 17, 18, and 19). The discussion then turned to the draft of letter to the Chairman of the Board of Trustees of the Retirement System regarding the Board's approval of the proposed changes in the Bank Plan and to the related question as to the procedure to be followed in notifying other interested persons of the changes.

Governor Vardaman stated that he felt a forthright announcement of the changes should be made, at least to the Chairmen of the Banking and Currency Committees of the Senate and the House of Representatives and perhaps to other interested committee chairmen. In addition, it might be desirable to publish a formal announcement in the Federal Register.

Governor Mills stated that he too felt that appropriate notice should be given because of the interest that had been indicated by committees of the Congress in the administration of retirement systems in the Government. He doubted that publication in the Federal Register was necessary since this was a matter of internal operations.

Governor Shepardson stated that he felt that whatever letter was to be sent to a committee or committees of the Congress should be sent simultaneously with the letter to be dispatched to the Chairman of the Board of Trustees.

Governor Robertson expressed the view that publication in the Federal Register was not necessary or appropriate. He suggested that Messrs. Hackley, Molony, and Sherman be requested to prepare a draft

6/28/57

-11-

of letter that could go to the Chairmen of the Banking and Currency Committees of the Senate and the House and possibly to other committees if that seemed necessary, and that the draft be brought back for consideration at a meeting this afternoon when Chairman Martin could be present. Governor Robertson added the statement that he felt no decision on this question should be made in the absence of the Chairman.

There being agreement with this suggestion, the meeting recessed and reconvened at 2:00 p.m. with the same attendance as at the close of the morning session except that Chairman Martin and Mr. Hackley were present.

Copies of a draft letter prepared in accordance with the understanding at the morning session were distributed, together with a list of committees of Congress that might have either a direct or an indirect interest in changes in the Retirement System of the Federal Reserve Banks.

Chairman Martin expressed the view that it would be a mistake to notify various committees of the Congress of changes in the Retirement System. He had no objection to notifying the Chairmen of the Banking and Currency Committees, and he emphasized that he had no objection to having other interested persons learn of the changes in the Retirement System or of any other operations connected with the Federal Reserve System. His point was that a bad precedent would be set if in this matter the Board sent a formal notice to any committee or to any

6/28/57

-12-

member of Congress other than to the Chairmen of the Banking and Currency Committees. He also stated that he could see no purpose in making an announcement in the Federal Register or taking any other unusual steps to publicize the changes in the Retirement System.

Thereupon, unanimous approval was given to a letter to Mr. Johns, Chairman, Board of Trustees of the Retirement System of the Federal Reserve Banks, in the form attached hereto as Item No. 17.

Unanimous approval also was given to letters to Senator Fulbright, Chairman of the Senate Banking and Currency Committee, and Congressman Spence, Chairman of the Banking and Currency Committee of the House, in the form attached to these minutes as Items 18 and 19, respectively.

Retention of certain Reserve Bank employees in service beyond normal retirement dates (Items 20 through 24). Governor Shepardson then raised the question of the letters to five Federal Reserve Banks discussed at the morning session which would authorize those Banks to retain in service certain individuals who had attained age 65 or who would do so in the near future, pending the date when the proposed changes in the Bank Plan of the Retirement System would become effective. He inquired whether there was any need to defer acting on these letters.

Mr. Hackley stated that Mr. Solomon, Assistant General Counsel, who would not return to the office from vacation until July 8, 1957,

6/28/57

-13-

was fully familiar with the legal questions relating to the tax-exempt status of the Retirement System. Mr. Hackley felt that it was unlikely that the retention in service of the persons referred to would raise a question as to the status of the Retirement System.

After brief discussion, unanimous approval was given to letters to the five Federal Reserve Banks in the form attached to these minutes as Items 20 through 24, inclusive.

Conference sponsored by School of Advanced International Studies. Chairman Martin stated that the School of Advanced International Studies of The Johns Hopkins University had sponsored a special conference to be held this summer on tensions in the Middle East. The conference would take place in Washington, D. C., from August 26-29 and invitations were being extended to representatives from Government, business, and the academic field to participate in the conference. The Chairman stated that he would like to suggest the names of Messrs. Katz and Reynolds and of Miss Maroney of the Board's Division of International Finance as persons who might be invited to the conference, with Mr. Westebbe as an alternate. However, he would not wish to have any members of the staff participate in the conference if any member of the Board had objection.

None of the members of the Board indicating objection, it was understood that Chairman Martin would advise Dr. Philip W. Thayer, Dean of the School of Advanced International Studies, that invitations might be

6/28/57

-14-

extended to the individuals he had mentioned.

Thereupon the meeting adjourned.

Secretary's Notes: Pursuant to recommendations contained in memoranda from appropriate individuals concerned, Governor Robertson, acting in the absence of Governor Shepardson, approved on behalf of the Board on June 27, 1957, the following actions regarding the Board's staff:

Appointment

Shirley Virginia Register as Clerk-Stenographer in the Division of Personnel Administration, with basic salary at the rate of \$3,670 per annum, effective the date she assumes her duties.

Salary increases, effective June 30, 1957

<u>Name and title</u>	<u>Division</u>	<u>Basic annual salary</u>	
		<u>From</u>	<u>To</u>
<u>Board Members' Offices</u>			
Annie I. Cotten, Secretary		\$5,645	\$5,780
Catherine L. Schmidt, Secretary		5,645	5,780
<u>Office of the Secretary</u>			
Beverly A. Murphy, Records Clerk		3,670	3,755
<u>Research and Statistics</u>			
Carolyn Bertolini, Clerk		3,175	3,260
Beverly Brookman, Clerk-Stenographer		3,415	3,500
John M. Culbertson, Economist		8,990	9,205
Dorothy Drake, Editorial Clerk		3,670	3,805
Nelle Dixon Rawles, Clerk		3,500	3,585
Margaret O. Tucker, Clerk-Typist		3,345	3,430
Sidney Washington, Library Assistant		3,840	3,925

6/28/57

-15-

Salary increases, effective June 30, 1957 (continued)

<u>Name and title</u>	<u>Division</u>	<u>Basic annual salary</u>	
		<u>From</u>	<u>To</u>
<u>Examinations</u>			
Douglas L. Orre, Assistant Federal Reserve Examiner		\$4,525	\$4,660
<u>Personnel Administration</u>			
Faye Davis, Clerk-Stenographer		3,415	3,500
Jane Donohoe, Secretary		4,215	4,350
Nita Fay Hobbs, Clerk-Typist		3,585	3,670
<u>Administrative Services</u>			
Louise L. Hiller, Head Operator, Key Punch		3,840	3,925
Lois E. Miller, Assistant Manager, Cafeteria		3,670	3,805
Ruth M. Flowers, Charwoman		2,900	2,975

Governor Shepardson today approved on behalf of the Board a letter to the Federal Reserve Bank of Richmond approving the designation of James M. French as special assistant examiner. A copy is attached hereto as Item No. 25.

Pursuant to recommendations contained in memoranda from appropriate individuals concerned, Governor Shepardson approved today on behalf of the Board the following actions regarding the Board's staff:

Salary increases, effective June 30, 1957

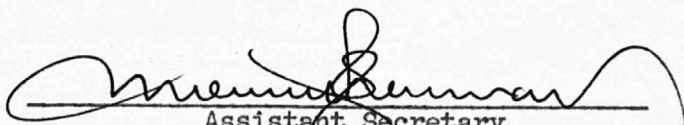
<u>Name and title</u>	<u>Division</u>	<u>Basic annual salary</u>	
		<u>From</u>	<u>To</u>
<u>Research and Statistics</u>			
Dorothy M. Bujno, Secretary		\$4,210	\$4,350

6/28/57

-16-

Salary increases, effective June 30, 1957 (continued)

<u>Name and title</u>	<u>Division</u>	<u>Basic annual salary</u>	
		<u>From</u>	<u>To</u>
	<u>Administrative Services</u>		
Mary F. Murphy, Mailing List Clerk		\$3,515	\$3,670
Lloyd F. White, Chauffeur <u>1/</u>		2,960	3,040


 Assistant Secretary

1/ Title changed from Guard.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

1813

Item No. 1
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Mr. Thomas O. Waage, Secretary,
Federal Reserve Bank of New York,
33 Liberty Street,
New York 45, New York.

Dear Mr. Waage:

As stated in your letter of June 14, requests have been received from the Central Bank of Paraguay that the services of Mr. Harvey Fleetwood, Jr. of your staff be extended until August 10, 1957.

I am glad to inform you that the Board of Governors has acted favorably on this request. It is understood that Mr. Fleetwood's services are to be available in accordance with the arrangements worked out earlier between your Bank and the International Cooperation Administration.

A copy of the formal request for this extension from the International Cooperation Administration and our reply are enclosed.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Enclosures 2

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 2
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



CONFIDENTIAL (FR)

Mr. Raymond W. Hall, Chairman,
Federal Reserve Bank of Kansas City,
Kansas City 6, Missouri.

Dear Mr. Hall:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Kansas City for the period July 1, 1957, through December 31, 1957, at the rates indicated which are the rates fixed by the Board of Directors as reported in Mr. Leedy's letter of June 14, 1957.

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Joseph S. Handford	Vice President	\$12,200
Joseph R. Euans	Asst. Vice President	11,000
John W. Snider	Assistant Cashier	8,750

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25. D. C.

Item No. 3
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Board of Directors,
Central Bank and Trust Company,
Great Neck, New York.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of New York, the Board of Governors of the Federal Reserve System approves the establishment of a branch of Central Bank and Trust Company, Great Neck, New York, at the northeast corner of the junction of Concord Road and Port Washington Boulevard, in the unincorporated area of Port Washington South, Town of North Hempstead, Nassau County, New York, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 4
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Board of Directors,
Long Island Trust Company,
Garden City, New York.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of New York, the Board of Governors hereby gives its written consent, under the provisions of Section 18(c) of the Federal Deposit Insurance Act, to the merger of The Freeport Bank of Freeport, New York, with and into Long Island Trust Company, Garden City, New York, and approves the establishment of a branch by the merged bank at 25 South Main Street, Freeport, New York, provided the merger is effected substantially in accordance with the plan and agreement of merger dated May 28, 1957, and the proposed merger and establishment of the branch are effected within six months from the date of this letter.

It is understood that you have agreed to increase the capital structure of the Long Island Trust Company by \$700,000 through the sale of additional common stock by October 1, 1957.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 5
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Mr. N. L. Armistead, Vice President,
Federal Reserve Bank of Richmond,
Richmond 13, Virginia.

Dear Mr. Armistead:

Reference is made to your letter of June 17, 1957, with regard to the request of The Bank of Virginia, Richmond, Virginia, for permission to move its branch in Petersburg, Virginia, from 144 Sycamore Street, to a location presently identified as 18, 22 and 26 Franklin Street and 15, 17-19, 21 and 25 East Washington Street, a distance of one and one-half blocks.

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.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 6
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



Board of Directors,
Citizens State Bank,
Tupelo, Mississippi.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of St. Louis, the Board of Governors approves the establishment of a branch by Citizens State Bank, Tupelo, Mississippi, in the present bank premises located about the middle of the block on the north side of Main Street between Front and Spring Streets, Tupelo, Mississippi, for the temporary period of one year following transfer of your main office to new banking quarters.

The Board also approves, under the provisions of Section 24A, an additional investment, direct and indirect, of not to exceed \$295,000 (this amount includes the cost of the lot, resurfacing the parking area, equipment and architect's fee) for the purpose of constructing new banking quarters for Citizens State Bank, Tupelo, Mississippi.

Yours very truly,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 7
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 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 June 10, 1957, requesting approval for Citizens State Bank, Tupelo, Mississippi, under the provisions of Section 24A of the Federal Reserve Act, of an additional investment of \$295,000 (includes the cost of the lot) in bank premises. This letter also requested permission for the member bank to establish, for a period of one year after completion of the new quarters, a branch in the present bank premises located about the middle of the block on the north side of Main Street between Front and Spring Streets, Tupelo, Mississippi.

After consideration of the information submitted, the Board of Governors concurs in your recommendation and approves both the additional investment in bank premises and establishment of the branch for the temporary period as shown in the enclosed letter to be forwarded to the board of directors of the bank. A copy of the letter is enclosed for your files.

Under Section 23A a member bank may loan to an affiliate an amount not exceeding 10 per cent of the bank's capital stock and surplus, in this case \$55,000, and such loan must be secured in conformity with the provisions of this statute. The provisions of this statute do not apply to an affiliate engaged solely in holding the bank premises; therefore, the member bank may loan to such an affiliate whatever amount it wishes so long as the provisions of Section 24A and any applicable State laws are not violated. It is noted that the affiliate may rent those quarters to be occupied by the temporary branch at such time as the branch is discontinued. In such event the affiliate will not be engaged solely in holding the bank premises and will become subject to the more restrictive provisions of Section 23A.

The Board of Governors concurs in your conclusions regarding the proper reporting on Form F. R. 105, Report of Condition. Should the affiliate borrow from an outside source



Mr. George E. Kroner:

-2-

to construct the bank building, it would not, under present conditions, be necessary to report any amount in connection with inset item 7, "(bank premises owned are subject to \$_____ liens not assumed by bank)". However, should the affiliate borrow money from the bank, the amount of the loan would be shown in item 9 "Investments and other assets indirectly representing bank premises or other real estate". In the latter instance the bank would be required to publish an affiliate report on Form F. R. 220 in connection with calls for reports of condition.

The Board notes that either during or upon completion of the construction not less than \$29,525 will be charged off the carrying value of bank premises; it is also assumed that the bank will continue to reduce the book value on a planned and regular basis.

It is understood that Counsel for the Reserve Bank will review and satisfy himself as to the legality of all steps taken to establish the branch.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Enclosure

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 8
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Board of Directors,
The First National Bank of Tulia,
Tulia, Texas.

Gentlemen:

The Board of Governors of the Federal Reserve System has given consideration to your application for fiduciary powers and grants you authority to act, when not in contravention of State or local law, as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity in which State banks, trust companies or other corporations which come into competition with national banks are permitted to act under the laws of the State of Texas, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Board of Governors of the Federal Reserve System.

A formal certificate indicating the fiduciary powers which The First National Bank of Tulia is now authorized to exercise will be forwarded to you in due course.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 9
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



Mr. R. K. Grobel, Chief Examiner,
Federal Reserve Bank of Minneapolis,
Minneapolis 2, Minnesota.

Dear Mr. Grobel:

This refers to your letter, dated June 21, 1957, with which there was transmitted a request, received from Bank Shares Incorporated, Minneapolis, Minnesota, for an extension of time to August 1, 1957, for the filing of its annual report (F.R. Y-6) for 1956.

Please inform the bank holding company that the Board has granted the requested extension.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 10
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Mr. George S. Eccles, President,
First Security Corporation,
79 South Main Street,
Salt Lake City, Utah.

Dear Mr. Eccles:

This refers to your letter of May 29, 1957, addressed to Mr. Hackley, presenting certain questions under the Bank Holding Company Act with respect to a plan under which First Security Corporation would transfer to a newly created corporation all bank shares now owned or controlled by First Security Corporation, together with certain other property consisting of readily marketable assets representing the reserve required to be maintained by a holding company affiliate under section 5114 of the United States Revised Statutes.

You ask, first, whether the second corporation may be created and availed of solely for the purpose of receiving such bank shares and other property. As you know, section 3(a)(1) makes it unlawful except with the prior approval of the Board for any action to be taken which results in a company becoming a bank holding company, and section 4 prohibits a bank holding company from acquiring voting shares of any company which is not a bank. The statute contains no specific exceptions with respect to the creation of a new bank holding company for the purpose of receiving bank shares and other property held by an existing bank holding company or with respect to the acquisition of stock of such a new company. However, the provisions added to the Internal Revenue Code by section 10 of the Bank Holding Company Act, and particularly section 1101(c)(3), appear to contemplate that, where the specified conditions are met (including the holding of "prohibited property"), a company may cease to be a bank holding company by transferring bank stocks to a corporation created and availed of solely for the purpose of receiving such property in exchange for all of the stock of such second corporation. In view of these provisions, it is the opinion of the Board that the Act does not require the Board's prior approval with respect to the creation of such a corporation for the purposes indicated or prohibit the acquisition of stock of such a corporation and distribution thereof to shareholders of the existing company in accordance with the tax provisions in question.

Mr. George S. Eccles

-2-

Your second question relates to whether First Security Corporation could transfer to the new corporation not only bank shares but also assets representing the reserve required to be maintained by a holding company affiliate under section 5114 of the Revised Statutes. Under section 1101(c)(3) of the Internal Revenue Code, it appears that a bank holding company could transfer to the newly created corporation not only bank stocks but also "other property (except prohibited property)". The Board would be required, of course, to make certain certifications with respect to the transaction before the tax benefits could be availed of; but, as indicated in paragraph (C) of section 1101(c)(3), such certification would relate only to the transferred property which, under section 1101(b)(1), could be distributed directly to the bank holding company's shareholders without recognition of gain (i.e., bank shares), and the extent to which "other property" could be transferred without adverse effect taxwise would be a matter for determination by the Internal Revenue Service.

Your third question is whether the proposed transaction could be consummated without recognition of taxable gain or loss. In the Board's opinion, this also would be a matter for determination by the Internal Revenue Service.

It is suggested that you may wish to request a ruling from the Internal Revenue Service with respect to both your second and third questions, and that you might wish to seek such a ruling even before applying for a prior tax certification by the Board of Governors. In requesting such a ruling, you might wish to point out that the reserve of readily marketable assets maintained by your Corporation is required by section 5114 of the Revised Statutes and that the proposed new corporation would constitute not only a bank holding company but also a holding company affiliate and, therefore, as an incident to its holding of a voting permit, would be subject to the same requirements regarding reserves. It is possible, of course, that Internal Revenue Service, upon receipt of such a letter from you, might wish to consult the Board regarding this phase of the matter.

Your fourth question is whether the Board has any forms or suggestions that the Corporation should follow "in making application for divestiture". Since no application is required by the Bank Holding Company Act with respect to divestiture, it is assumed that your question relates to an application for the certification that is prescribed by the Internal Revenue Code as a prerequisite to a distribution to shareholders that could qualify for the special tax status provided by sections 1101 et seq. of the Internal Revenue Code.

Mr. George S. Eccles

-3-

The Board does not prescribe any form for use in applying for tax certifications. It has been found preferable to have the applicant corporation submit its application through the Federal Reserve Bank with an informal statement of the proposed divestment program, outlining the assets to be transferred, dates of acquisition, and the like, as well as the distribution planned. On the basis of such information and supplemental inquiries the Board will be in a position to determine what factual information will serve as an adequate basis for the requested certification. In view of its responsibilities under sections 1101 and 1103, the Board ordinarily considers it desirable that such factual information be established by actual inspection of records and documents by representatives of the appropriate Federal Reserve Bank, by affidavits of persons other than officers and employees of the applicant corporation, and other sources of like character.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 11
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



REGISTERED MAIL

The Honorable Seth H. Young,
Bank Commissioner,
State of Utah,
Salt Lake City, Utah.

Dear Mr. Young:

Under the Bank Holding Company Act of 1956, this Board is required to give notice to the appropriate State supervisory authority of the receipt of an application for prior approval of the acquisition by a bank holding company of voting shares of a State bank, and to allow 30 days within which the views and recommendations of the State supervisory authority may be submitted.

In accordance with this requirement of the law, you are advised that First Security Corporation, Salt Lake City, Utah, 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 25,000 shares of the capital stock of Union Bank & Trust Company, Salt Lake City, Utah. There is enclosed, for your information, a copy of the application, together with the supplemental information furnished by the applicant.

It will be appreciated if you will advise the Board in writing of your views and recommendations with respect to this application. For your information in this connection there is enclosed a copy of section 3 of the Bank Holding Company Act of 1956.

For your convenience, this letter is being sent to you by registered mail, return receipt requested, because the date of receipt of the letter by your office must be made a part of the Board's records with respect to the application.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Enclosures

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 12
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

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

Sir:

It is respectfully requested that you place an order with the Bureau of Engraving and Printing for printing 446,944,000 Federal Reserve notes (single units) of the 1950 Series during the fiscal year ending June 30, 1958, in the amounts and denominations shown below for the various Federal Reserve Banks:

	<u>Denomi- nation</u>	<u>Number of notes</u>	<u>Dollar Amount</u>
Boston	\$5	1,080,000	\$ 5,400,000
	10	19,440,000	194,400,000
	20	7,920,000	158,400,000
	50	432,000	21,600,000
	100	<u>576,000</u>	<u>57,600,000</u>
			<u>29,448,000</u>
New York	5	15,040,000	75,200,000
	10	80,560,000	805,600,000
	20	27,000,000	540,000,000
	50	1,872,000	93,600,000
	100	<u>1,728,000</u>	<u>172,800,000</u>
			<u>126,200,000</u>
Philadelphia	5	9,000,000	45,000,000
	50	864,000	43,200,000
	100	<u>144,000</u>	<u>14,400,000</u>
			<u>10,008,000</u>

The Comptroller of the Currency

Page 2

	<u>Denomi- nation</u>	<u>Number of notes</u>	<u>Dollar Amount</u>
Cleveland	\$5	7,480,000	\$ 37,400,000
	10	20,520,000	205,200,000
	20	14,400,000	288,000,000
	100	144,000	14,400,000
		<u>42,544,000</u>	<u>545,000,000</u>
Richmond	5	22,320,000	111,600,000
	10	22,680,000	226,800,000
	20	15,120,000	302,400,000
	50	432,000	21,600,000
	100	1,008,000	100,800,000
	<u>61,560,000</u>	<u>763,200,000</u>	
Atlanta	5	9,000,000	45,000,000
	20	1,440,000	28,800,000
	<u>10,440,000</u>	<u>73,800,000</u>	
Chicago	5	28,800,000	144,000,000
	10	33,400,000	334,000,000
	20	27,000,000	540,000,000
	50	1,008,000	50,400,000
	100	864,000	86,400,000
	<u>91,072,000</u>	<u>1,154,800,000</u>	
St. Louis	5	5,040,000	25,200,000
	20	1,440,000	28,800,000
	50	144,000	7,200,000
	100	576,000	57,600,000
	<u>7,200,000</u>	<u>118,800,000</u>	
Minneapolis	5	3,960,000	19,800,000
Kansas City	5	11,520,000	57,600,000
	10	10,080,000	100,800,000
	20	8,280,000	165,600,000
	50	288,000	14,400,000
	100	144,000	14,400,000
	<u>30,312,000</u>	<u>352,800,000</u>	

	<u>Denomi- nation</u>	<u>Number of notes</u>	<u>Dollar Amount</u>
Dallas	\$5	9,720,000	\$ 48,600,000
	10	7,560,000	75,600,000
	20	1,440,000	28,800,000
	100	<u>576,000</u>	<u>57,600,000</u>
		<u>19,296,000</u>	<u>210,600,000</u>
San Francisco	5	14,040,000	70,200,000
	50	432,000	21,600,000
	100	<u>432,000</u>	<u>43,200,000</u>
		<u>14,904,000</u>	<u>135,000,000</u>
Totals	5	137,000,000	685,000,000
	10	194,240,000	1,942,400,000
	20	104,040,000	2,080,800,000
	50	5,472,000	273,600,000
	100	<u>6,192,000</u>	<u>619,200,000</u>
		<u>446,944,000</u>	<u>\$5,601,000,000</u>

Respectfully,

(Signed) Merritt Sherman


Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 13
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



Mr. William F. Finan,
Assistant Director for
Management and Organization,
Bureau of the Budget,
Executive Office of the President,
Washington 25, D. C.

Dear Mr. Finan:

The Board is glad to learn from your letter of May 29, addressed to Chairman Martin, that the Bureau of the Budget is establishing an interagency committee to consider the problems associated with automatic data processing systems within Government. The Board has an interest in problems in this field and will be happy to cooperate with the committee in its work.

The Board has on order an intermediate priced computer system which is scheduled for delivery later this year. This computer system is being installed to perform both operating and research functions. It is expected to provide quicker results and to make possible more detailed analysis than is feasible with our present equipment.

Previous to contracting for the purchase of this system, the Board conducted a study of potentials and equipment over a period of nearly two years. Consultations with other agencies on their experience were fruitful, and the mutual exchange of ideas in a committee of the sort being established should be useful to participants in meeting a wide variety of problems.

The plan for the committee to give attention to research efforts to develop equipment for specific applications is of interest to the Board. It has on order a special charting machine that is designed to draw time series or other lines on the basis of the discrete values of the data being plotted. It is believed that this machine, if successful, will mark an important advance over presently available point plotters and incremental line

Mr. Finan

-2-

plotters. Data inputs to the machine are possible in a variety of "machine language" forms.

The Board will be pleased to hear of the progress of the committee's work and to have members of its staff participate in such committee activities as may seem appropriate. Also, the Federal Reserve Banks have many special data and document handling problems and will no doubt be interested in learning of developments along these lines in Government work.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

Office Correspondence

Date June 25, 1957.

To Board of Governors

Subject: Proposed revision of Form F.R. 314, Report of Condition of Foreign Banking Corporations and Foreign Financing Corporations.

From Division of Examinations

There are attached:

- Exhibit A - Proposed Revision
- Exhibit B - Present Form
- Exhibit C - Present Form with notations as to changes

RECOMMENDATION: That the proposed revision be approved for use at the June 30, 1957 call and subsequently until superseded or revised.

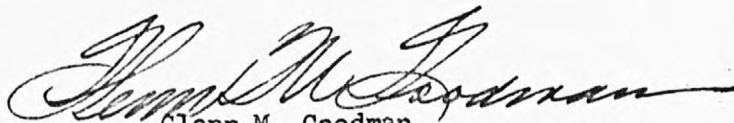
COMMENTS: Under the established policy of the Board relative to the supervision of foreign banking corporations, reports of condition are obtained semi-annually from corporations chartered by the Board under the provisions of Section 25(a) of the Federal Reserve Act and corporations operating under agreements with the Board pursuant to Section 25.

American Overseas Finance Company (which commenced business on June 13), American Overseas Finance Corporation (which is being liquidated), Bank of America, and The Chase Bank were chartered by the Board under Section 25(a). Bankers Company of New York, First of Boston International Corporation, International Banking Corporation, and Morgan & Cie. Incorporated were organized under State laws but operate under agreements with the Board pursuant to Section 25.

Form F.R. 314 is essentially a set of instructions for the preparation of reports of condition to the Board rather than a form to be filled out, as in the case of call reports of member banks. In view of the small number of corporations involved, the nature of their activities, and the infrequency of their examination generally, it is believed that this approach, which has been used over a long period, is preferable.

Changes in the form approved by the Board on June 9, 1952, are necessary because revisions made in the revised Regulation K effective January 15, 1957, require that reserves against deposits be maintained with the Federal Reserve Bank and no longer require reserves against acceptances. In addition, a few minor changes have been made in the form in the interest of clarity.

Respectfully submitted,



Glenn M. Goodman,
Assistant Director,
Division of Examinations.

Attachments 3.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 15
6/28/57



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

CONFIDENTIAL (FR)

Mr. Bert R. Prall, Chairman,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Prall:

The Board of Governors has approved, effective this date, the adjustments proposed in Mr. Dawes' letter of June 13, 1957, for the minimums and maximums of the salary structure of the Officers' Salary Administration Plan of the Federal Reserve Bank of Chicago, as follows:

<u>Group</u>	<u>Minimum</u>	<u>Maximum</u>
A	\$18,000	\$27,000
B	14,500	22,000
C	11,500	17,000
D	9,500	14,000

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

T E L E G R A M
LEASED WIRE SERVICEItem No. 16
6/28/57BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

June 28, 1957

Johns - St. Louis

Reur wires June 26 and 27, Board approves sale of the old
Louisville Branch property for \$300,000 as outlined in your
telegram and authorized by your Executive Committee.

(Signed) Merritt Sherman
SHERMAN

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 17
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



Mr. Delos C. Johns, Chairman,
Board of Trustees of the Retirement
System of the Federal Reserve Banks,
c/o Federal Reserve Bank of St. Louis,
St. Louis 2, Missouri.

Dear Mr. Johns:

The Board of Governors has given consideration to the recommendations of the Special Joint Committee appointed to consider the report of the Industrial Relations Counselors Service, Inc., on the Retirement System of the Federal Reserve Banks as set forth in the Committee's report of January 18, 1957.

The Board is prepared to give favorable consideration to amendments to the Rules and Regulations of the Retirement System applicable to the Bank Plan which would place in effect the Committee's recommendations as to pension, disability pension, and contributions by members, modified to the extent of the suggestion made by the Industrial Relations Counselors Service, Inc., in paragraph numbered 5 of its letter to the Board of Governors dated May 15, 1957, provided such amendments are formally adopted by the Board of Trustees of the Retirement System of the Federal Reserve Banks.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 18
6/28/57

OFFICE OF THE CHAIRMAN

June 28, 1957

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

Dear Senator Fulbright:

The Board has given its approval to revisions in the Retirement System of the Federal Reserve Banks covering employees at those Banks. This Retirement System, as you know, has been in operation on a contributory basis at the Federal Reserve Banks since 1934, and reports concerning the System have been brought to the attention of the Congress from time to time.

The revised plan provides a total retirement allowance, including Federal Old Age Benefits, of a little more than 50 per cent of final average salary for employees who retire at age 65 with thirty years of service, with lesser or greater allowances for others depending upon length of service. It is believed that the revised plan provides retirement benefits for Federal Reserve Banks appropriate to their labor markets.

Since the Retirement System of the Federal Reserve Banks is a fully funded system, a lump sum payment of approximately \$8 million is required to cover the accrued liability resulting from the changes in benefits. The Federal Reserve Banks currently have approximately 19,000 employees who are covered by this retirement plan.

This information is being sent to you because of the interest previously evinced by Committees of Congress in this subject.

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 19
6/28/57

OFFICE OF THE CHAIRMAN

June 28, 1957

The Honorable Brent Spence, Chairman,
Committee on Banking and Currency,
House of Representatives,
Washington 25, D. C.

Dear Mr. Spence:

The Board has given its approval to revisions in the Retirement System of the Federal Reserve Banks covering employees at those Banks. This Retirement System, as you know, has been in operation on a contributory basis at the Federal Reserve Banks since 1934, and reports concerning the System have been brought to the attention of the Congress from time to time.

The revised plan provides a total retirement allowance, including Federal Old Age Benefits, of a little more than 50 per cent of final average salary for employees who retire at age 65 with thirty years of service, with lesser or greater allowances for others depending upon length of service. It is believed that the revised plan provides retirement benefits for Federal Reserve Banks appropriate to their labor markets.

Since the Retirement System of the Federal Reserve Banks is a fully funded system, a lump sum payment of approximately \$8 million is required to cover the accrued liability resulting from the changes in benefits. The Federal Reserve Banks currently have approximately 19,000 employees who are covered by this retirement plan.

This information is being sent to you because of the interest previously evinced by Committees of Congress in this subject.

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 20
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



June 28, 1957

Mr. H. H. Kimball, Vice President,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Kimball:

In view of the circumstances outlined in your letter of June 20, 1957, concerning the extension of retirement dates for certain of your employees, the Board of Governors approves the retention in service and the payment of salary to the following persons through the dates indicated:

<u>Name</u>	<u>Extended Through</u>
Eni Csaka	September 23, 1957
J. E. Grundner	September 30, 1957
John Potter	October 2, 1957

It is understood that, if benefits from the proposed changes in the Retirement System become effective prior to any of these dates, these retentions will extend only to such prior date.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 21
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957



Mr. W. D. Fulton, President,
Federal Reserve Bank of Cleveland,
Cleveland 1, Ohio.

Dear Mr. Fulton:

In view of the circumstances outlined in your letter of June 14, 1957, concerning the extension of retirement dates for certain of your employees, the Board of Governors approves the retention in service and the payment of salary to the following persons through December 31, 1957:

Clarence L. Martin
Walter R. Shellenberger
Harry Albert
Harry Ostendorf

It is understood, that if benefits from the proposed changes in the Retirement System become effective prior to December 31, 1957, these retentions will extend only to such prior date.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 22
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



June 28, 1957

Mr. John L. Liles, Jr.,
Vice President and Cashier,
Federal Reserve Bank of Atlanta,
Atlanta 3, Georgia.

Dear Mr. Liles:

In view of the circumstances outlined in your letter of June 18, 1957, concerning the extension of the retirement date for one of your employees, the Board of Governors approves the retention in service and the payment of salary to Miss Stella Markey through December 31, 1957.

It is understood that, if benefits from the proposed changes in the Retirement System become effective prior to December 31, 1957, this retention will extend only to such prior date.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 23
6/28/57



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Mr. Neil B. Dawes,
Vice President and Secretary,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Dawes:

In view of the circumstances outlined in your letter of June 14, 1957, concerning the extension of retirement dates for certain of your employees, the Board of Governors approves the retention in service and the payment of salary to the following persons to October 1, 1957:

Lillian B. Jacobs
Genevieve P. Mitchell
Maude F. Newbury
Howard C. Stahl
Ruth D. Keefe
Ethel J. Rice

Albert W. Sathern
Joseph P. Edwards
Henry W. Hofmeister
Arnold R. Peterson
Alida O. McCord
Edythe H. Henderson
Bernard T. Charter

It is understood that, if benefits from the proposed changes in the Retirement System become effective prior to October 1, 1957, these retentions will extend only to such prior date.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 24
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 28, 1957

Mr. Delos C. Johns, President,
Federal Reserve Bank of St. Louis,
St. Louis 2, Missouri.

Dear Mr. Johns:

In view of the circumstances outlined in your letter of June 13, 1957, concerning the extension of the retirement date of one of your employees, the Board of Governors approves the retention in service and the payment of salary to Mr. Anthony R. Pierce until October 1, 1957.

It is understood that, if benefits from the proposed changes in the Retirement System become effective prior to October 1, 1957, this retention will extend only to such prior date.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 25
6/28/57

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



June 28, 1957

Mr. N. L. Armistead, Vice President,
Federal Reserve Bank of Richmond,
Richmond 13, Virginia.

Dear Mr. Armistead:

In accordance with the request contained in your letter of June 24, 1957, the Board approves the designation of James M. French as a special assistant examiner for the Federal Reserve Bank of Richmond.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Assistant Secretary.