

Minutes for October 6, 1960

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, please initial below. If you were present at the meeting, your initials will indicate approval of the minutes. If you were not present, your initials will indicate only that you have seen the minutes.

Chm. Martin

Gov. Szymczak

Gov. Mills

Gov. Robertson

Gov. Balderston

Gov. Shepardson

Gov. King

The image shows handwritten initials and signatures for each board member listed on the left. The initials are written on a horizontal line. The initials for Chm. Martin are 'M' and 'M'. The initials for Gov. Szymczak are 'S' and 'S'. The initials for Gov. Mills are 'M' and 'M'. The initials for Gov. Robertson are 'R' and 'R'. The initials for Gov. Balderston are 'B' and 'B'. The initials for Gov. Shepardson are 'S' and 'S'. The initials for Gov. King are 'K' and 'K'. There are also some larger, more complex signatures or initials written over the lines.

Minutes of the Board of Governors of the Federal Reserve System on  
Thursday, October 6, 1960. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman  
Mr. Szymczak  
Mr. Mills  
Mr. Robertson  
Mr. Shepardson  
Mr. King

Mr. Sherman, Secretary  
Miss Carmichael, Assistant Secretary  
Mr. Young, Adviser to the Board  
Mr. Hackley, General Counsel  
Mr. Noyes, Director, Division of Research  
and Statistics  
Mr. Farrell, Director, Division of Bank  
Operations  
Mr. Solomon, Director, Division of  
Examinations  
Mr. Johnson, Director, Division of Personnel  
Administration  
Mr. Hooff, Assistant General Counsel  
Mr. Conkling, Assistant Director, Division of  
Bank Operations  
Mr. Nelson, Assistant Director, Division of  
Examinations  
Mr. Benner, Assistant Director, Division of  
Examinations  
Mr. Horbett, Special Consultant, Division of  
Bank Operations

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

Item No.

Letter to the Federal Deposit Insurance Corporation  
stating that no corrective programs have been urged  
upon or agreed to by The Maryland State Bank of  
Montgomery County, Gaithersburg, Maryland, which the  
Board believes should be incorporated as conditions  
incident to its proposed merger with the Suburban  
Trust Company, Hyattsville, Maryland.

1

10/6/60

Item No.

- Letter to Jenkintown Bank and Trust Company, Jenkintown, Pennsylvania, approving an extension of time to establish a branch in the Baederwood Shopping Center, Abington Township. 2
- Letter to The Toledo Trust Company, Toledo, Ohio, approving the establishment of a branch at 3160 Navarre Avenue instead of 2827 Navarre Avenue, Oregon, Ohio, as authorized in the Board's letter of April 22, 1960. 3
- Letter to The First National Bank of Berryville, Berryville, Virginia, approving its application for fiduciary powers. 4
- Letter to Trust Company of Georgia, Atlanta, Georgia, approving the establishment of a branch at 2160 Monroe Drive, N. E. 5
- Letter to State Bank of Lebanon, Lebanon, Missouri, approving an investment in bank premises. 6
- Letter to Lemay Bank and Trust Company, Lemay, Missouri, approving the establishment of a branch at 9001 South Broadway. 7
- Letter to Union State Bank, Carrizo Springs, Texas, granting an extension of time to accomplish termination of its membership in the Federal Reserve System. 8
- Letter to The First National Bank of Longview, Longview, Texas, approving its supplemental application for fiduciary powers. 9
- Letter to Wells Fargo Bank American Trust Company, San Francisco, California, approving the establishment of a branch in the Roseville Square Shopping Center, Roseville. 10
- Letter to Wells Fargo Bank American Trust Company, San Francisco, California, approving the establishment of a branch in the vicinity of Fair Oaks Boulevard and Watt Avenue, in Sacramento County. 11

10/6/60

-3-

Item No.

12

Letter to the Federal Reserve Bank of Chicago expressing the view that a certain transaction involving The Marine Corporation, Milwaukee, Wisconsin, does not come within the prohibitions of section 4(a) of the Bank Holding Company Act of 1956.

Report on competitive factors: Bedford-Roanoke, Virginia.

Pursuant to the understanding at the Board meeting on October 5, 1960, the draft report to the Comptroller of the Currency on the competitive factors involved in the proposed merger of The Peoples National Bank of Bedford, Bedford, Virginia, into The First National Exchange Bank of Roanoke, Roanoke, Virginia, had been revised and distributed to members of the Board. The reworded conclusion stated therein was as follows:

The proposed merger would remove an independent, and evidently competitive, bank from the trade area. The office of the Resulting Bank would appear to increase competition with the remaining bank in Bedford and with the Lynchburg banks which apparently compete in the area. In view of the size of the Resulting Bank, the proposed branch may be construed as conferring a competitive advantage over the remaining bank in Bedford.

No objection being indicated, the report was approved unanimously for transmittal to the Comptroller.

At this point Mr. Thomas, Adviser to the Board, entered the room.

Proposed supplement to Banking and Monetary Statistics. There had been distributed a memorandum from Mr. Horbett dated September 22, 1960, regarding a proposed supplement to Banking and Monetary Statistics with accompanying background information relating to the two volumes entitled

10/6/60

-4-

Banking and Monetary Statistics (published November 1943) and All-Bank Statistics, 1896-1955 (published April 1959). The purpose of a supplement would be to make available in one place and on a uniform basis statistics covering banking, monetary, and other financial developments over a fairly long period of time. Such a supplement would fill the gap since 1941 in the statistics appearing in Banking and Monetary Statistics and would be useful not only to the Board and the System but also in connection with numerous outside inquiries, including those from official sources. It would facilitate some Board correspondence and eliminate the need for special compilations of requested statistical data. Plans for a supplement were made in 1950 but compilation of statistical tables did not actually get under way until 1955. Detailed planning of the proposed publication was largely suspended in the last two or three years because of other more urgent assignments.

The memorandum outlined printing costs, estimates of clerical and supervisory time, and other factors involved in the publication of a supplement, including the possibility of issuing a number of pamphlets covering individual series rather than a single volume. It was suggested that, if it should be decided to publish a supplement, provision should be made in the 1961 budget.

A general discussion of the proposed supplement followed, during which Messrs. Thomas, Young, Noyes, and Farrell commented on the need for



10/6/60

publishing supplemental statistical data in a field for which the Board has particular responsibility.

The discussion was concluded after Mr. Noyes had expressed the thought that it might be desirable, if the Board favored the publication of supplementary data in any form, to consider the issuance of a series of individual pamphlets, the first of which would be experimental and would contain some of the figures that were most in demand.

Secretary's Note: Further consideration of this topic took place during the executive session at the close of this meeting.

Mr. Hexter, Assistant General Counsel, entered during the foregoing discussion.

Salary for Richmond Reserve Bank officer (Item No. 13). Pursuant to the favorable recommendation of the Division of Personnel Administration and the Federal Reserve Bank of Richmond, as set forth in a file that had been circulated to the Board, unanimous approval was given a letter to the Federal Reserve Bank of Richmond approving an annual salary for Mr. Edmund F. Mac Donald, who had recently been appointed as Vice President in charge of the Charlotte Branch, effective October 15, 1960. A copy of the letter is attached as Item No. 13.

Messrs. Young, Noyes, Farrell, Johnson, Hexter, Hooff, Conkling, Nelson, and Horbett then withdrew.

Voting permit for Sottile, Inc. (Item No. 14). An application had been received from Sottile, Inc., Miami, Florida, for a limited voting

10/6/60

-6-

permit to vote the stock which it owns or controls of Pan American Bank of Miami, Miami, Florida, at a special shareholders' meeting to be called and held for the purposes of reducing the par value of common stock from \$20 to \$10 per share, and to approve the offering of 115,000 shares of new \$10 par value stock at \$21.75 per share. The proposed recapitalization would inject into Pan American Bank of Miami new capital in the amount of \$2,501,250.

The Federal Reserve Bank of Atlanta had recommended that the permit be granted and in a memorandum dated October 6, 1960, which had been distributed, the Division of Examinations concurred. A telegram to the Federal Reserve Agent at Atlanta that would authorize the issuance of the voting permit was attached to the memorandum.

Commenting on the application, Governor Robertson said that the point had now been reached where the money necessary to recapitalize the bank was at hand. Assuming that the voting permit were granted by the Board, a special meeting of the shareholders of Pan American Bank would be held on October 11, 1960, and the stock would then be sold. According to his understanding, all of the new shares of stock would be taken, but in the event that any of them were not, Mr. Sottile planned to purchase them. Governor Robertson also commented on questions raised by other members of the Board regarding the management, capital, and assets of Pan American Bank and Mr. Sottile's plans for disposing of other banks.

10/6/60

-7-

During the discussion Chairman Martin asked whether the granting of the requested limited voting permit would imply any commitment on the part of the Board, and Mr. Hackley replied that the granting of such a permit was a statutory formality and as such its approval did not seem to involve any commitment.

Thereupon the voting permit was approved unanimously. A copy of a telegram sent to the Federal Reserve Agent at Atlanta pursuant to this action is attached as Item No. 14.

Absorption of exchange charges. Governor Robertson referred to the Board's meeting on September 27, 1960, with Messrs. G. Edward Cooper and Melvin C. Miller of the Bank Management Commission, American Bankers Association, in connection with the Board's ruling on August 4, 1960, on the absorption of exchange charges as a payment of interest on demand deposits. At that meeting it had been indicated that the Bank Management Commission favored asking the Board to make two changes with respect to its ruling: (1) permit member banks to absorb exchange charges of less than 5 cents on any nonpar item and (2) reinstate the previous ruling that a member bank may absorb exchange charges up to \$2 per month for any one customer.

It was understood that the Association of Reserve City Bankers was making a survey with respect to the absorption of exchange charges and a report concerning the results of such a survey would be presented to the Board, probably within the next two weeks.



10/6/60

-8-

Governor Robertson expressed the view that it would be desirable to discuss the problem of exchange charges with the Comptroller of the Currency and the Federal Deposit Insurance Corporation in the hope that the three Federal supervisory agencies might adopt the same position. He observed that Chairman Wolcott of the Federal Deposit Insurance Corporation would be out of town for two weeks and suggested that the Board take no action until it would be possible to meet with the Comptroller of the Currency and Chairman Wolcott. This would also enable the Association of Reserve City Bankers to advise the Board of the results of its survey.

There was agreement with Governor Robertson's suggestion for a meeting with the Comptroller of the Currency and the Federal Deposit Insurance Corporation when that could be arranged. It was suggested that the arrangements be made with a view to having as many members of the Board as were available present at the meeting.

All members of the staff then withdrew and the meeting went into executive session.

Staff assignments. Following the meeting, the Secretary was informed by Chairman Martin that during the executive session the Board approved a change, effective immediately, in assignment for Mr. Molony, Assistant to the Board, whereby he would be relieved of all work connected with press announcements and inquiries and would be assigned the senior staff responsibility for editorial work relating to various external written communications by or on behalf of the Board. This will include

10/6/60

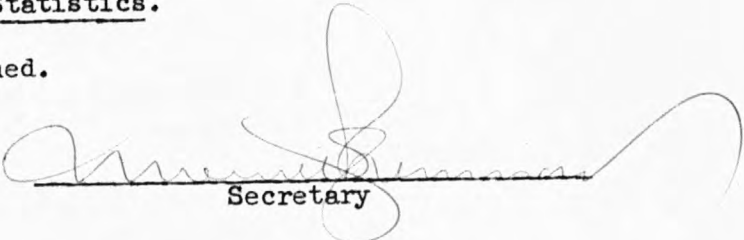
-9-

statements to be presented to Congressional committees as well as editorial responsibility for the Federal Reserve Bulletin, the Annual Report, and such other presentations as may be issued to the public. In taking this action it was understood that Mr. Molony was authorized to call upon System staff resources, both at the Board and at the Federal Reserve Banks, for assistance in preparing the presentations contemplated.

The Chairman also informed the Secretary that the duties previously assigned to Mr. Molony in connection with press announcements and inquiries would be assigned, effective immediately, to Mr. Fauver, Assistant to the Board, and that Governor Shepardson had been given the responsibility for working out such changes in duties now performed by Mr. Fauver as might be necessary, including the transfer of certain activities elsewhere in the Board's organization and the employment of additional personnel.

Proposed supplement to Banking and Monetary Statistics. The Secretary also was informed by Governor Shepardson that during the executive session the Board gave further consideration to the memorandum from Mr. Horbett, Consultant, dated September 22, 1960, regarding a proposed supplement to Banking and Monetary Statistics, as a result of which an understanding was reached that the interested divisions would present for the Board's consideration in their budgets for 1961 specific proposals for preparation of one or two pamphlets that would contain a table or group of tables corresponding to and supplementing those published in the basic volume of Banking and Monetary Statistics.

The meeting then adjourned.

  
Secretary

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

Item No. 1  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



The Honorable Jesse P. Wolcott, Chairman,  
Federal Deposit Insurance Corporation,  
Washington 25, D. C.

Dear Mr. Wolcott:

Reference is made to your letter of September 26, 1960, with respect to the contemplated examination of The Maryland State Bank of Montgomery County, Gaithersburg, Maryland, in view of the proposed merger of that bank with the Suburban Trust Company, Hyattsville, Maryland.

No corrective programs which the Board believes should be incorporated as conditions incident to the proposed merger have been urged upon or agreed to by the bank.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 2  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



Board of Directors,  
Jenkintown Bank and Trust Company,  
Jenkintown, Pennsylvania.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Philadelphia, the Board of Governors has approved an extension of time until April 17, 1961, in which Jenkintown Bank and Trust Company may establish a branch in the Baederwood Shopping Center, Abington Township, Montgomery County, Pennsylvania. The establishment of this branch was authorized in a letter dated October 17, 1958.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 3  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960

Board of Directors,  
The Toledo Trust Company,  
Toledo, Ohio.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Cleveland, the Board of Governors approves the establishment of a branch by The Toledo Trust Company at 3160 Navarre Avenue instead of 2827 Navarre Avenue, Oregon, Ohio, as authorized in the Board's letter of April 22, 1960.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.





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

Item No. 4  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



Board of Directors,  
The First National Bank of Berryville,  
Berryville, Virginia.

Gentlemen:

The Board of Governors of the Federal Reserve System has given consideration to your application for fiduciary powers and grants The First National Bank of Berryville 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 Virginia. The exercise of such rights shall be subject to the provisions of Section 11(k) of the Federal Reserve Act and Regulation F of the Board of Governors of the Federal Reserve System.

A formal certificate indicating the fiduciary powers that your bank is now authorized to exercise will be forwarded in due course.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 5  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960

Board of Directors,  
Trust Company of Georgia,  
Atlanta, Georgia.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Atlanta, the Board of Governors of the Federal Reserve System approves the establishment of a branch at 2160 Monroe Drive, N. E., Atlanta, Georgia, by Trust Company of Georgia, Atlanta, Georgia, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



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

Item No. 6  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960

Board of Directors,  
State Bank of Lebanon,  
Lebanon, Missouri.

Gentlemen:

The Board of Governors of the Federal Reserve System approves, under the provisions of Section 24A of the Federal Reserve Act, an investment of \$17,000 in bank premises by State Bank of Lebanon, Lebanon, Missouri. This approval is granted to cover specifically a purchase of two lots acquired by the bank on August 3, 1960, at a cost of \$13,904 and for additional expenses in connection with conversion of such lots to parking facilities.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



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

Item No. 7  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960

Board of Directors,  
Lemay Bank and Trust Company,  
Lemay, Missouri.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of St. Louis, the Board of Governors of the Federal Reserve System approves the establishment of a branch at 9001 South Broadway, Lemay, St. Louis County, Missouri, by Lemay Bank and Trust Company, Lemay, Missouri, provided the branch is established within nine months from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 8  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960

Board of Directors,  
Union State Bank,  
Carrizo Springs, Texas.

Gentlemen:

The Federal Reserve Bank of Dallas has forwarded to the Board of Governors your letter of September 23, 1960, submitting a request for an extension of time of sixty days to December 19, 1960, in which termination of membership in the Federal Reserve System may be accomplished. In accordance with your request, the Board of Governors grants the requested extension and your institution may accomplish termination of its membership at any time prior to December 19, 1960.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



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

Item No. 9  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



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

Gentlemen:

The Board of Governors of the Federal Reserve System has given consideration to your supplemental application for fiduciary powers and grants you authority to act, when not in contravention of State or local law, as registrar of stocks and bonds, assignee, receiver, 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 such rights shall be subject to the provisions of Section 11(k) of the Federal Reserve Act and Regulation F of the Board of Governors of the Federal Reserve System.

In addition to the fiduciary powers herein authorized, the bank was granted authority on March 22, 1922, to act as trustee, executor, administrator, guardian of estates and committee of estates of lunatics.

A formal certificate indicating the fiduciary powers that your bank is now authorized to exercise will be forwarded in due course.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 10  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



Board of Directors,  
Wells Fargo Bank American  
Trust Company,  
San Francisco, California.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of San Francisco, the Board of Governors of the Federal Reserve System approves the establishment of a branch in the Roseville Square Shopping Center, Roseville, Placer County, California, by Wells Fargo Bank American Trust Company, provided the branch is established within nine months from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 11  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



Board of Directors,  
Wells Fargo Bank American  
Trust Company,  
San Francisco, California.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of San Francisco, the Board of Governors of the Federal Reserve System approves the establishment of a branch in the vicinity of Fair Oaks Boulevard and Watt Avenue, an unincorporated area in Sacramento County, California, by Wells Fargo Bank American Trust Company, provided the branch is established within nine months from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



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

3793

Item No. 12  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960

Mr. Carl E. Allen, President,  
Federal Reserve Bank of Chicago,  
Chicago 90, Illinois.

Dear Mr. Allen:

Mr. Diercks' letters of July 27 and September 15, 1960, submit the question whether the prohibitions of section 4(a) of the Bank Holding Company Act of 1956 are applicable to a transaction involving The Marine Corporation, Milwaukee, Wisconsin.

According to the facts submitted, the assets of The Marine Corporation include a \$15,000 note of its Treasurer, Mr. John H. Kelly. The funds were personally advanced by Mr. Elliott G. Fitch, President of The Marine Corporation and its subsidiary bank, Marine National Exchange Bank of Milwaukee, to Mr. Kelly, who is Treasurer of Marine Corporation and also an officer of such subsidiary bank. The note, which is collateralized by an assigned insurance policy of \$25,000 on the life of Mr. Kelly, was subsequently placed in the assets of the bank holding company. Information disclosed by the examination of Marine Corporation shows the loan to be an isolated transaction and not one of a number of such transactions which might establish a pattern of business activity.

It is the Board's view, based on the foregoing facts, that the transaction does not come within the prohibitions of section 4(a) of the Bank Holding Company Act of 1956. However, in another case, the nature of a transaction or the number or volume of such transactions might require a different conclusion.

The Board is in agreement with Counsel for the Reserve Bank that section 22(g) of the Federal Reserve Act and Regulation O are not applicable.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

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

Item No. 13  
10/6/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 6, 1960



CONFIDENTIAL (FR)

Mr. Hugh Leach, President,  
Federal Reserve Bank of Richmond,  
Richmond 13, Virginia.

Dear Mr. Leach:

The Board of Governors approves the payment of salary to the following officer of the Federal Reserve Bank of Richmond, assigned to the Charlotte Branch, for the period October 15 through December 31, 1960, at the rate indicated, which is the rate fixed by your Board of Directors as reported in your letter of September 29, 1960:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Edmund F. Mac Donald	Vice President	\$18,000

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.



**T E L E G R A M**  
LEASED WIRE SERVICE

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON

Item No. 14  
10/6/60

October 6, 1960

**MITCHELL - ATLANTA**

**KECEA**

- A. Sottile, Inc., Miami, Florida.
- B. Pan American Bank of Miami, Miami, Florida.
- C. None.
- D. Any time prior to December 31, 1960, at a special meeting of shareholders of such bank, or any adjournments thereof, to
  - (1) reduce the par value of common stock of such bank from \$20.00 to \$10.00 per share, and (2) approve the offering of 115,000 shares of new \$10.00 par value common stock at \$21.75 per share, and take all actions necessary in connection therewith, provided that all actions taken are in accordance with plans satisfactory to the Federal Reserve Bank of Atlanta.

(Signed) Merritt Sherman

SHERMAN

Definition of KECEA:

The Board authorizes the issuance of a limited voting permit, under the provisions of section 5144 of the Revised Statutes of the United States, to the holding company affiliate named below after the letter "A", entitling such organization to vote the stock which it owns or controls of the bank(s) named below after the letter "B", subject to the condition(s) stated below after the letter "C". The permit authorized hereunder is limited to the period of time and the purposes stated after the letter "D". Please proceed in accordance with the instructions contained in the Board's letter of March 10, 1947, (S-964)