

Minutes for December 28, 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	<u>no</u>
Gov. Szymczak	<u>[Signature]</u>
Gov. Mills	<u>[Signature]</u>
Gov. Robertson	<u>R</u>
Gov. Balderston	<u>CSB</u>
Gov. Shepardson	<u>[Signature]</u>
Gov. King	<u>[Signature]</u>

Minutes of the Board of Governors of the Federal Reserve System on  
Wednesday, December 28, 1960. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Szymczak, Acting Chairman  
Mr. Mills  
Mr. Robertson  
Mr. Shepardson

Mr. Kenyon, Assistant Secretary  
Mr. Fauver, Assistant to the Board  
Mr. Farrell, Director, Division of Bank  
Operations  
Mr. Solomon, Director, Division of  
Examinations  
Mr. Johnson, Director, Division of  
Personnel Administration  
Mr. Hexter, Assistant General Counsel  
Mr. Hooff, Assistant General Counsel  
Mr. Rudy, Special Assistant, Legal  
Division  
Mr. Furth, Associate Adviser, Division  
of International Finance  
Mr. Nelson, Assistant Director, Division  
of Examinations  
Mrs. Semia, Technical Assistant, Office  
of the Secretary  
Mr. Leavitt, Supervisory Review Examiner,  
Division of Examinations

Discount rates. The establishment without change by the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on December 22, 1960, and by the Federal Reserve Banks of Boston and Atlanta on December 27, 1960, of the rates on discounts and advances in their existing schedules was approved unanimously, with the understanding that appropriate advice would be sent to those Banks.

Items circulated or distributed to the Board. The following items, which had been circulated or distributed to the Board and copies of which

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are attached to these minutes under the respective item numbers indicated, were approved unanimously:

- |  | <u>Item No.</u> |
|--|-----------------|
| Letter to The Chase Manhattan Bank, New York City, approving the establishment of a branch at 29-30 Union Street, Flushing, Borough of Queens.   | 1               |
| Letter to Long Island Trust Company, Garden City, New York, approving the establishment of a branch at 490 Hempstead Turnpike, Town of Hempstead.  | 2               |
| Letter to The Huron County Banking Company, Norwalk, Ohio, approving an extension of time to establish a branch at Linwood Avenue and Monroe Street.   | 3               |
| Letter to The City National Bank of Coral Gables, Coral Gables, Florida, approving its application for fiduciary powers.   | 4               |
| Letter to The Cass County State Bank, Cassopolis, Michigan, waiving the requirement of six months* notice of withdrawal from membership in the Federal Reserve System.   | 5               |
| Letter to the Federal Deposit Insurance Corporation regarding the application of The Cass County State Bank, Cassopolis, Michigan, for continuation of deposit insurance after withdrawal from membership in the Federal Reserve System. | 6               |
| Letter to the Comptroller of the Currency recommending unfavorably with respect to an application to organize a national bank at San Antonio, Texas.   | 7               |

With respect to Item No. 4, there was a brief discussion during which Governor Mills expressed the view that the application of The City National Bank of Coral Gables for fiduciary powers did not reflect a particularly strong situation. However, he felt that the requested

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authority should be granted. Governor Shepardson remarked that the availability of a memorandum on criteria for granting fiduciary powers that the Board had requested the staff to develop some time ago should be helpful in arriving at a decision on borderline cases, and it was understood that work on the memorandum would be expedited.

Holding company affiliate status of the Lovett Corporation. A draft of letter had been distributed which would grant to the Lovett Corporation, Houston, Texas, a determination exempting it from all holding company affiliate requirements except those in section 23A of the Federal Reserve Act.

Governor Robertson stated that he had not yet had an opportunity to review the memorandum on this matter fully, following which Governor Mills mentioned various circumstances surrounding the application that he believed called for careful consideration to determine whether an extraordinary situation was presented such as the Board had indicated would justify a deviation from its general policy of making favorable determinations as a normal matter in one-bank cases.

It was then agreed to defer consideration of the application by the Lovett Corporation.

Purchase of Towergate Securities stock by Massnat Corporation (Item No. 8). A draft of letter to Boston Overseas Financial Corporation, Boston, Massachusetts, had been distributed in connection with the

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Corporation's request that the Board grant consent to Massnat Corporation, a wholly-owned Panamanian subsidiary of Boston Overseas, to purchase and hold 25 per cent of the stock of Towergate Securities Limited. The latter organization was a British corporation organized for the purpose of carrying on a factoring business in the United Kingdom; its name was to be changed to "International Factors Limited" and its capital was to be increased. The stock to be purchased by Massnat would cost not in excess of \$250,000.

A memorandum from the Division of Examinations that had been distributed with the draft of letter pointed out that on October 21, 1960, the Board granted consent to Boston Overseas Financial Corporation to invest up to \$1.5 million in Massnat, and for Massnat to invest up to \$1.5 million in the stock of an Argentine finance company (Corporacion Financiera de Boston).

Governor Mills inquired whether the cost of stock of International Factors Limited was to be subtracted from the amount the Board had approved for investment by Massnat Corporation in the Argentine finance company, to which Mr. Hexter replied that it was his impression that that would be the immediate effect of the transaction. If operations in Argentina should develop to such an extent as to require additional funds, authorization would have to be sought by Boston Overseas to increase, through Massnat, its investment in the Argentine finance company, now about \$1.2 million.

Governor Mills then inquired concerning the Board's right to examine the new corporation, International Factors Limited, and Mr. Hexter

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replied that the right of examination is customarily retained only in regard to corporations controlled by Edge corporations. In this case, International Factors Limited would not be under the control of either Boston Overseas Financial Corporation or Massnat Corporation.

After further discussion, the proposed letter to Boston Overseas Financial Corporation was approved. A copy is attached as Item No. 8.

Study of investments of Edge corporations. Mr. Furth remarked that the case the Board had just considered illustrated how Edge corporations and their subsidiaries were being pyramided in a complex manner. He failed to see that there was any legitimate reason why Boston Overseas Financial Corporation should not have invested in Towergate Securities Limited (International Factors Limited) directly rather than through Massnat Corporation. It was his suggestion that the Board might wish to instruct the staff to make a study of the problem, especially in view of the letter sent to the Board on September 30, 1960, by Mr. Jay W. Glasmann, Assistant to the Secretary of the Treasury, stating that, while the Treasury perceived no legal grounds for opposing the creation of foreign holding companies, the Board might wish to keep in mind the possible use of such holding companies for tax avoidance purposes.

During the discussion that followed, it was recalled that the Board recently had agreed, after consideration of a staff memorandum, that further consideration would be given in about two years to the

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question of possible changes in the provisions of Regulation K, it having been thought that that interval would afford a broader base of experience with Edge corporation activities to indicate what changes would be desirable. At the conclusion of today's discussion, however, the Board instructed the staff to undertake a study of the organizational structure of Edge corporations and their subsidiaries, and the use of the latter for making indirect investments, without waiting to make such a study a part of the over-all review of the need for revision of Regulation K.

Application by Chemical International Finance, Limited. A memorandum dated December 20, 1960, from the Division of Examinations had been distributed in connection with an application by Chemical International Finance, Limited, New York City, for consent for its wholly-owned Panamanian subsidiary, Chemical Overseas Finance Corporation, to purchase and hold 40,000 shares of capital stock of Development Underwriting Limited, Sydney, New South Wales, Australia, at a cost of approximately \$22,500. The memorandum was accompanied by a draft of letter to Chemical International Finance, Limited, granting the requested permission. It was noted that this investment had already been made, on the theory that it fell within the scope of the Board's general consent to make certain types of investments. However, review by the New York Reserve Bank and the Board's staff indicated that this investment was not covered by the general consent.

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After a discussion bearing upon the kind of business that Development Underwriting Limited was authorized to conduct and the appropriateness of an investment by Chemical Overseas Finance Corporation in that organization, it was agreed to postpone a decision on the application of Chemical International Finance, Limited, until additional information had been developed by the staff.

Mr. Furth then withdrew from the meeting.

Report on competitive factors (Ida Grove-Arthur, Iowa). A draft of report to the Federal Deposit Insurance Corporation on the competitive factors involved in the proposed merger of Ida County State Bank, Ida Grove, Iowa, and Arthur Trust and Savings Bank, Arthur, Iowa, had been distributed with a memorandum from the Division of Examinations dated December 21, 1960. The report concluded as follows:

The proposed merger will result in the elimination of a small country bank and the strong competition between two small banks located in neighboring communities. However, in view of the number of banking offices in nearby communities, the proposal would not appear to enable the resulting bank to obtain a dominant position in the area.

The report was approved unanimously for transmission to the Federal Deposit Insurance Corporation.

Report on competitive factors (Los Angeles, California). A draft of report to the Federal Deposit Insurance Corporation on the competitive factors involved in a proposal whereby a proposed new bank, First Western Bank and Trust Company, Los Angeles, California, would acquire assets and



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assume liability to pay certain deposits made in United California Bank, Los Angeles, had been distributed with a memorandum from the Division of Examinations dated December 22, 1960. United California Bank was to be the surviving institution in a proposed merger between California Bank, Los Angeles, California, and First Western Bank and Trust Company, San Francisco, California. The application to the Federal Deposit Insurance Corporation represented one step in an over-all plan whereby Firstamerica Corporation would consolidate its majority-owned banking interests in California and at the same time reduce those interests so as to create additional competition and terminate pending antitrust litigation initiated by the Department of Justice.

Governor Robertson pointed out that the proposed transaction which was the subject of the report to the Federal Deposit Insurance Corporation could not be consummated unless the Board approved the proposed merger of the California Bank and First Western Bank and Trust Company, San Francisco. The two existing institutions would be merged, and out of that merger would evolve a third institution. However, that institution could not come into being until after the consummation of the merger on which the Board would have to act. In those circumstances, he read a revision of the report to the Corporation that seemed to him more appropriate.

Certain questions were raised concerning the language proposed by Governor Robertson, particularly insofar as that language referred to the

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effect of the transaction in terms of the public interest, it being noted that in making reports to the other bank supervisory agencies on proposals under their jurisdiction the Board had refrained from going further than to express a conclusion on the competitive factors involved. Alternative suggestions then were made with respect to the language of the conclusion of the report under consideration, following which Governor Robertson indicated that he would be willing to go along with a conclusion phrased in such manner despite his preference for the wording he had originally suggested.

Accordingly, the report was approved for transmittal to the Federal Deposit Insurance Corporation in a form in which the conclusion was stated as follows:

It would appear that the subject application by Firstamerica on behalf of New Bank to acquire assets of and assume liability to pay certain deposits made in the United California Bank (the surviving institution in the proposed merger between California Bank and First Western) will enhance the State-wide competitive banking activities. It will not result in any reduction in the number of banking offices in California. New Bank, which will become the ninth largest bank in the State, will ultimately introduce a third banking element into the State-wide competitive picture.

Major medical insurance for retired employees (Item No. 9). A memorandum dated December 23, 1960, from the Division of Personnel Administration had been distributed in connection with an action of the Presidents' Conference, as reported at the joint meeting of the Board and the Presidents on December 13, 1960, to extend major medical insurance coverage to retired

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Reserve Bank employees, except certain deferred retirees and current disability retirees. Employees retired for disability on or after the effective date of the coverage would be included. A draft of letter to the Chairman of the Conference of Presidents expressing the Board's approval of the action taken by the Presidents accompanied the memorandum.

In commenting on the matter, Mr. Johnson noted that a question had been raised with respect to the term "deferred retirees", as used in the draft of proposed letter to the Chairman of the Presidents' Conference. This had been the terminology used in the report of the Subcommittee on Personnel which was acted upon by the Presidents' Conference. However, the term "special service retirees" could be substituted.

Question was raised by Governor Robertson regarding the status and provisions of legislation to provide similar benefits for Civil Service retirees, and Mr. Johnson replied to the effect that legislation for this purpose had been enacted, to become effective in July 1961, but that implementation of its provisions had not yet been worked out by the Civil Service Commission with insurance company representatives. In the course of his comments, he said that according to the terms of the legislation, it would not be possible that all Government employees who retired before a given date might be excluded.

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Unanimous approval then was given to a letter to the Chairman of the Presidents\* Conference, with copies to all Presidents, indicating concurrence by the Board in the action taken by the Presidents\* Conference, the letter to be in a form reflecting the suggestion that Mr. Johnson had mentioned. A copy of the letter sent pursuant to this action of the Board is attached as Item No. 9.

Mr. Johnson then withdrew from the meeting.

Merger application (Philadelphia-Collegeville, Pennsylvania (Item No. 10)). A memorandum dated December 21, 1960, from the Division of Examinations had been distributed in connection with an application for the Board\*s consent to merge The Collegeville National Bank, Collegeville, Pennsylvania, into and with Provident Tradesmens Bank and Trust Company, Philadelphia, Pennsylvania, and for permission for the continuing bank to operate a branch at the location of the one office of the Collegeville bank.

After discussion of the circumstances involved, the application was approved unanimously. A copy of the letter sent to Provident Tradesmens Bank and Trust Company pursuant to this action is attached as Item No. 10.

Thereupon the meeting adjourned.

Secretary\*s Notes: Pursuant to the recommendation contained in a memorandum from Mr. Solomon, Director, Division of Examinations, Governor Robertson, acting in the absence of Governor Shepardson, approved on behalf of the Board on December 23, 1960, acceptance of the resignation of John A. Lovejoy, Assistant Federal Reserve Examiner in that Division, effective at the close of business February 15, 1961; and extension of Mr. Lovejoy\*s leave-without-pay status until the resignation date.

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Governor Shepardson today approved on behalf of the Board the following items:

Letter to the Federal Reserve Bank of New York (attached Item No. 11) approving the appointment of Thomas B. Jones as an assistant examiner.

Memoranda from appropriate individuals concerned recommending the following actions concerning the Board's staff:

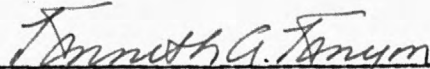
Appointments

Gertrude E. Booth as Secretary in the Office of the Secretary, with basic annual salary at the rate of \$4,345, effective the date of entrance upon duty.

Coleman Bado as Chauffeur in the Division of Administrative Services, with basic annual salary at the rate of \$4,025, effective January 3, 1961.

Acceptance of resignation

Vivienne O. Goebel, Secretary in the Office of the Secretary, effective at the close of business January 2, 1961.

  
Assistant Secretary

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

Item No. 1  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960

Board of Directors,  
The Chase Manhattan Bank,  
New York, 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 by The Chase Manhattan Bank, New York, New York of a branch at 29-30 Union Street, Flushing, Borough of Queens, New York. This approval is given 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. 2  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



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 of the Federal Reserve System approves the establishment of a branch at 490 Hempstead Turnpike, in the unincorporated Village of Munson, Town of Hempstead, New York, by Long Island Trust Company, Garden City, New York, provided the branch is established within six 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. 3  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



Board of Directors,  
The Huron County Banking  
Company,  
Norwalk, Ohio.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Cleveland, the Board of Governors has approved an extension of time until February 28, 1961, in which The Huron County Banking Company may establish a branch at Linwood Avenue and Monroe Street, Norwalk, Ohio. The establishment of this branch was authorized in a letter dated March 31, 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  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



Board of Directors,  
The City National Bank  
of Coral Gables,  
Coral Gables, Florida.

Gentlemen:

The Board of Governors of the Federal Reserve System has given consideration to your application for fiduciary powers and grants The City National Bank of Coral Gables 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 Florida. 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  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



Board of Directors,  
The Cass County State Bank,  
Cassopolis, Michigan.

Gentlemen:

The Federal Reserve Bank of Chicago has forwarded to the Board of Governors your letter dated December 9, 1960, together with the accompanying resolution signifying your intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

In accordance with your request, the Board of Governors waives the requirement of six months' notice of withdrawal. Upon surrender to the Federal Reserve Bank of Chicago of the Federal Reserve Bank stock issued to your institution, such stock will be canceled and appropriate refund will be made thereon. Under the provisions of Section 10(c) of the Board's Regulation H, your institution may accomplish termination of its membership at any time within eight months from the date the notice of intention to withdraw from membership was given.

It is requested that the certificate of membership be returned to the Federal Reserve Bank of Chicago.

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  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



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

Dear Mr. Wblcott:

Reference is made to your letter of December 14, 1960, concerning the desire of The Cass County State Bank, Cassopolis, Michigan, to continue as an insured bank following its 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) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 7  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



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

Attention Mr. G. W. Garwood,  
Deputy Comptroller of the Currency.

Dear Mr. Comptroller:

Reference is made to a letter from your office dated August 16, 1960, enclosing copies of an application to organize a national bank at San Antonio, Texas, signed by Mr. Bruce B. Bunting and associates, and requesting a recommendation as to whether or not the application should be approved.

A report of investigation of the application made by an examiner for the Federal Reserve Bank of Dallas indicates that the proponents plan to provide a capital structure of \$600,000 for the bank instead of \$500,000 as shown in the application. This revised capital structure would appear to be adequate. Moreover, the proposed management of the bank appears to be acceptable. However, in view of the present status of development in the area, it appears that the organization of the bank is somewhat premature and that the prospects for profitable operations are very borderline. It is questionable whether sufficient need exists for the bank at this time. In the circumstances, the Board of Governors does not feel justified in recommending favorable consideration of the application.

The Board's Division of Examinations will be glad to discuss any aspects of this case with representatives of your office if you so desire.

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  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD



December 28, 1960

Mr. Roger C. Damon, President,  
Boston Overseas Financial Corporation,  
67 Milk Street,  
Boston, Massachusetts.

Dear Mr. Damon:

In accordance with the request contained in your letter of November 21, 1960, transmitted through the Federal Reserve Bank of Boston, and on the basis of the information furnished, the Board of Governors grants its consent for Massnat Corporation to purchase and hold 25 percent of the stock of Towergate Securities Limited, (a British corporation organized for the purpose of carrying on a factoring business in the United Kingdom, the name of which corporation is to be changed to "International Factors Limited" (Factors)), at a cost not to exceed US\$250,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Massnat shall dispose of its holdings of stock in Factors as promptly as practicable, in the event that Factors should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) conduct its operations in a manner inconsistent with Section 25(a) of the Federal Reserve Act or regulations thereunder.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,  
Assistant Secretary.

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

Item No. 9  
12/28/60



ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 29, 1960.

Mr. Delos C. Johns, Chairman,  
Conference of Presidents,  
Federal Reserve Bank of St. Louis,  
St. Louis 66, Missouri.

Dear Mr. Johns:

The Board of Governors approves the recommendation of the Conference of Presidents on December 13, 1960, to include the following retirees under the major medical insurance plan of the Reserve Banks, and the payment by the Reserve Banks of two-thirds of the premium cost, to become effective as soon as necessary arrangements are completed:

- A. Service retirees,
- B. Special service retirees who have attained the age of 60 and have 25 years or more of service, and
- C. Disability retirees who retire on or after the effective date of insurance coverage.

Advice of this action is being sent to the President of each Federal Reserve Bank today.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,  
Assistant Secretary.

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

Item No. 10  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 28, 1960



Board of Directors,  
Provident Tradesmens Bank and  
Trust Company,  
Philadelphia, Pennsylvania.

Gentlemen:

The Board of Governors of the Federal Reserve System, after consideration of all factors set forth in section 18(c) of the Federal Deposit Insurance Act as amended by the Act of May 13, 1960, and finding the transaction to be in the public interest, hereby consents to the merger of The Collegeville National Bank, Collegeville, Pennsylvania, into and with Provident Tradesmens Bank and Trust Company, Philadelphia, Pennsylvania, under the charter and title of the latter. The Board of Governors also approves the operation of a branch by the resulting bank at 364 Main Street, Collegeville, Pennsylvania.

This approval is given provided: (1) the proposed merger is effected within six months from the date of this letter and substantially in accordance with the Agreement of Merger approved by the board of directors of both banks on October 13, 1960, (2) shares of stock acquired from dissenting stockholders are disposed of within six months from the date of acquisition.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,  
Assistant Secretary.

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

Item No. 11  
12/28/60

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD



December 28, 1960

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

Dear Mr. Crosse:

In accordance with the request contained in your letter of December 22, 1960, the Board approves the appointment of Thomas B. Jones as an assistant examiner for the Federal Reserve Bank of New York. Please advise us of the effective date of the appointment.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,  
Assistant Secretary.