FR 609
Rev. 10/59

Minutes for March 29, 1961

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 R

Gov. Balderston CCB

Gov. Shepardson _______

Gov. King _______

Minutes of the Board of Governors of the Federal Reserve System on Wednesday, March 29, 1961. The Board met in the Board Room at 10:00 a.m.

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

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Miss Carmichael, Assistant Secretary
Mr. Thomas, Adviser to the Board
Mr. Shay, Legislative Counsel
Mr. Molony, Assistant to the Board
Mr. Fauver, Assistant 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. Daniels, Assistant Director, Division of Bank Operations
Mr. Goodman, Assistant Director, Division of Examinations
Mr. Sprecher, Assistant Director, Division of Personnel Administration
Mr. Gemmill, Economist, Division of International Finance
Mr. Axilrod, Economist, Division of Research and Statistics

Request of Farmers Bank and Trust Company. There had been distributed to the members of the Board a memorandum from the Division of Examinations dated March 24, 1961, regarding a request of Farmers Bank and Trust Company, Knox, Indiana, for permission to declare a quarterly dividend of $1,875, payable on March 31, 1961, under the provisions of section 9 of the Federal Reserve Act and section 5199(b), United States Revised Statutes. The memorandum stated that Farmers Bank and Trust Company was a problem bank in critical condition, with poor management the principal factor. At a recent meeting of the directors of the bank with the Indiana Department of Financial Institutions, at which the Federal Reserve Bank of Chicago was represented, it had been suggested that additional stock be sold in view of the existing capital inadequacy, and the directors agreed to consider this proposal. The bank had maintained an unbroken dividend-paying record for many years, and the Reserve Bank indicated that the payment of the proposed dividend "might support the sale of additional stock, or, at least, not detract from such a sale as failure to pay the dividend might do." The applicant bank stated that the elimination of the dividend "would cause undue gossip . . . that might be harmful to the reputation of the bank."

The Division of Examinations indicated in the memorandum that it would favor the dividend declaration only on the basis that the payment of the dividend might aid in the sale of new capital stock. A draft of reply that would approve the declaration of the dividend was attached to the memorandum.

During consideration of the request, question was raised as to whether approval of payment of the proposed dividend would be appropriate since it appeared that the bank's problems stemmed primarily from poor management and the dividend payment would not correct this situation. A question was also raised as to the extent to which stock of the bank was held by its directors. In view of these questions, it was agreed that the Division of Examinations would secure additional information for consideration at a later meeting.

Items circulated or distributed to the Board. The following items, which had been circulated or distributed 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 Philadelphia International Investment Corporation, Philadelphia, Pennsylvania, granting permission to acquire stock of Envases Colombianos S. A., Barranquilla, Colombia.	1
Letter to Old Kent Bank and Trust Company, Grand Rapids, Michigan, approving the establishment of a branch at or near the intersection of Breton Avenue and Burton Street in lieu of the branch at 1500 Kalamazoo Avenue, S. E., which was approved by the Board on October 14, 1960.	2
Letter to the Federal Reserve Bank of St. Louis interposing no objection to the initiation of negotiations for the purchase of property adjoining the Louisville Branch and authorizing purchase of this property at a price of approximately $175,000.	3
Letter to the Federal Reserve Bank of New York approving the payment of salary to an officer at the rate fixed by the Board of Directors and noting certain changes in staff assignments.	4
Letter to the Federal Reserve Bank of St. Louis approving the retention in active service of Dr. Arthur C. Brooks, the Bank's physician, for a specified period.	5

Following approval of Item No. 5, there was a brief discussion of the practices followed by the respective Reserve Banks and by the Board in making payments for unused vacation upon retirement or termination of employment. Governor Mills suggested that the practices of the Banks perhaps should be reviewed by the Division of Personnel Administration in order to be sure that they raised no substantial question.

Messrs. Goodman and Gemmill withdrew from the meeting at this point.

Report on H. R. 2899 and H. R. 2900 (Item No. 6). Pursuant to discussion at the Board meeting on March 27, 1961, there had been distributed to the members of the Board a revised draft of report to Chairman Mills of the House Committee on Ways and Means on two identical bills, H. R. 2899 and H. R. 2900, which would amend the Internal Revenue Code of 1954, as amended, with respect to the taxation of savings and loan associations and mutual savings banks.

Under existing law, savings and loan associations and mutual savings banks are permitted to accumulate tax deductible bad debt reserves in any reasonable amount as long as the sum of such reserves, surplus, and undivided profits does not exceed 12 per cent of deposits or shares. The proposed bills would eliminate the legal stipulation of the maximum amount of bad debt reserves, and that amount would be determined by the Secretary of the Treasury. Bad debt reserves permitted to be maintained by commercial banks are determined by the

Secretary of the Treasury and are smaller in relation to liabilities than in the case of savings and loan associations and mutual savings banks. The proposed legislation would place savings and loan associations and mutual savings banks on the same footing as commercial banks with respect to tax-free bad debt reserves in the sense that the maximum amount of such reserves would in each case be determined by the Treasury.

Consideration of the report had been held over from the March 27 meeting in order that the proposed letter might be redrafted along the line of indicating that although the Board had no special knowledge or view as to how large the bad debt reserves of savings and loan associations and mutual savings banks should be, it felt that the size of the allowance could best be determined administratively, by the Secretary of the Treasury, as in the case of commercial banks and others.

Mr. Shay reported that it had not yet been determined whether hearings would be held on the proposed legislation, and that the decision might rest on the reports received by the Committee from interested agencies of the Government. In the event there should be hearings, he understood that the Board would be asked to testify.

Governor Robertson indicated that he was favorable to the revised draft of report, which took the position that since the Treasury Department has the power to make the determination as to the maximum amount of bad debt reserves of commercial banks it would seem desirable for that

Department to have the same power in connection with other types of financial institutions. On this basis, he saw no need for the Board to involve itself further in the whole problem of tax equalization.

Governor Shepardson expressed doubt as to whether the revised draft went far enough. While he would have no objection to expressing the view that the same agency should have power of determination in respect to bad debt reserves of commercial banks, mutual savings banks, and savings and loan associations, he felt that there should be some direct reference to the problem of tax inequities.

After a change in the wording of the letter was suggested by Mr. Noyes in the light of Governor Shepardson's comment, Mr. Shay presented for consideration an alternative approach which would cast the reply in terms that the problem presented by these bills was but one phase of the broad question of the proper tax treatment of various nonstock business and financial organizations, which was one of the areas covered in the tax reform study conducted by the House Ways and Means Committee in the 86th Congress; that the Board had no special knowledge or view as to how large the bad debt reserves of savings and loan associations and mutual savings banks should be; and that, since the proposed amendments related to matters primarily within the competence of the Treasury Department, the Board had no comments to make on the bills.

Governor Mills indicated that he leaned toward the approach embodied in Mr. Shay's suggestion, which he thought would be in line with views expressed by the Board previously on matters of taxation. He felt it was appropriate to say that such matters were not within the Board's province and therefore the Board would hesitate to offer an opinion. On the complicated and controversial subject of the tax status of commercial banks, as compared with mutual savings banks and savings and loan associations, he doubted whether the Board was sufficiently familiar with the intricacies of the problem to warrant going much further than suggested by Mr. Shay.

Governor King indicated that he would be agreeable to a report along the lines of the revised draft of reply, and that he would not object to including an additional statement such as had been suggested by Mr. Noyes.

Governor Szymczak commented in terms that the problem was much larger than indicated by this particular legislation. Accordingly, if the Board should be called upon to testify, it might be brought out that the broader problem of the tax status of all types of institutions that exert a competitive effect on banking should be studied on an over-all basis. This specific legislation, he pointed out, was highly controversial, and it might be desirable for the Board to endeavor not to get too deeply involved.

Governor Robertson then made the further comment that the Board had a special interest in the commercial banks from the standpoint of their being in a position to finance the economy. At present there was a competitive inequity between the commercial banks on the one side and the other types of financial institutions on the other, and he doubted that the Board could avoid taking a position. As to bad debt reserves, the proposed legislation would put the commercial banks and the other types of institutions on the same footing because in each case the determination would be made by the Treasury Department. In his opinion, the Board could hardly avoid taking the position that the situation ought to be made as nearly equitable as possible.

Governor Balderston suggested inclusion at some appropriate point in the letter of the portion of Mr. Shay's suggested language which brought out that the question presented by the pending bills was only one phase of the broad question of the proper tax treatment of various non-stock business and financial organizations.

Chairman Martin agreed. He also said he was inclined to feel that the position taken in the revised draft was about as far as the Board ought to go, although he would not object to including the suggestion of Mr. Noyes.

In reply to a question by the Chairman, Mr. Shay said that a rather prompt reply seemed to be called for, it having been indicated that the matter might come up rather unexpectedly within the Committee.

The Chairman then suggested transmitting to the Committee the revised draft of reply that had been distributed, as modified to include the suggestion of Mr. Noyes and the portion of the language suggested by Mr. Shay to which reference had been made by Governor Balderston. He inquired whether any member of the Board wished to record a dissent from the sending of a letter in such form, and no comments were heard. Accordingly, it was understood that the Board's report on the bills would be in the form indicated.

Governor Robertson suggested that since the letter would take the position that the Treasury Department should have authority to determine the maximum amount of bad debt reserves for mutual savings banks and for savings and loan associations, as well as commercial banks, it might be well to check with the Treasury before the letter was sent. There was agreement with this suggestion.

> Secretary's Note: In subsequent conversation, members of the Treasury staff advised Mr. Noyes that they were not in a position to give Treasury endorsement to the two specific bills. The Treasury had not yet taken a position on this specific legislation. However, they saw no objection to the Board taking the position stated in the proposed letter. Accordingly, there was sent to the Chairman of the House Ways and Means Committee on March 30, 1961, the letter of which a copy is attached as Item No. 6.

Mr. Wood, Senior Economist, Division of Research and Statistics, entered the room during the foregoing discussion, and at its conclusion Mr. Axilrod withdrew.

Report on S. 726. There had been distributed to the members of the Board with a covering memorandum from Mr. Noyes dated March 24, 1961, a draft of reply to Chairman Robertson of the Senate Committee on Banking and Currency on S. 726, cited as the "Community Facilities Act of 1961." The memorandum indicated that the staff would like to have the Board's guidance in dealing with reports on bills of this tenor. Submitted with the proposed reply, for the Board's ready reference, was a copy of the letter written to Senator Robertson on May 6, 1960, concerning an almost identical bill.

S. 726 would make five principal changes in existing law relating to the public facility loan program of the Community Facilities Administration of the Housing and Home Finance Agency. It would (1) remove restrictions that had caused the rejection of loan applications filed by communities with a population in excess of 10,000; (2) remove language from existing law which in practice had limited loans primarily to projects for water and sewer systems; (3) increase the loan fund from $150 million to $1 billion and permit $400 million to continue on a revolving basis; (4) provide an interest rate formula requiring a charge to borrowers of one-quarter per cent added to the current average yields on all outstanding marketable obligations of the United States; and (5) raise the maximum loan term from 40 to 50 years, with provision for a two-year postponement of principal and interest payments where circumstances warranted such action.

Chairman Martin expressed the thought that in general the Board should not argue the merits or demerits of proposed social legislation as such, but rather should confine itself to the financial requirements involved. In the case of such legislation, he felt that the Board should not argue, for example, whether the size of the program was either adequate or inadequate. However, he believed the Board should try to point out any financial disadvantages.

With more specific reference to S. 726, Mr. Shay raised the question whether the Board wished to go as far as the proposed reply would go in criticizing the bill as such. He suggested that instead the Board might say merely that this bill was a measure to help meet part of the need in the area involved, and then proceed to suggest that the Committee might want to consider certain features of the proposed legislation.

Mr. Thomas expressed the view that the proposed letter perhaps went too far in the sense of not recognizing a changing situation. He suggested that a letter which was appropriate in 1959, for example, might be less appropriate at a time when the country was in recession and there were questions as to the adequacy of the growth of the economy. On a matter such as the providing of public facilities and urban redevelopment, he wondered whether the Board would want to take an adamant position. Instead, the Board might recognize that a need existed but raise a question concerning the most appropriate method of financing the program.

In further discussion, Governor Mills said that he had been favorably impressed by the proposed letter. It might be that certain changes in the text would be desirable. However, the letter appeared in substance to restate the position that the Board had taken on this subject for a number of years. It might be, as Mr. Thomas had suggested, that the Board would want to modify its position on the basis of changed conditions, but personally he doubted whether that would be advisable. If the Board had been right in its position in the past, he would be inclined to stand on that position, and in his opinion the Board's position had been right.

There followed further discussion during which certain comparisons were made between the letter written in May 1960 and the draft currently submitted by the staff. The opinion was expressed by some of those present that in certain respects the presentation in the 1960 letter was preferable. At the conclusion of the discussion, it was understood that a revised draft of reply would be prepared for the Board's consideration.

All of the members of the staff except Messrs. Sherman and Fauver then withdrew.

Director appointments. On the basis of a memorandum from Mr. Fauver dated February 16, 1961, which had been distributed, the Board gave further consideration to those cases in which incumbent Federal Reserve Bank Class C and branch directors did not appear to be eligible for reappointment, on the basis of the Board's rotation policy, at the expiration of the terms ending December 31, 1961. No decisions were reached as the result of this discussion. However, Chairman Martin reported that in accordance with the authorization given to him at the meeting on March 24, 1961, he had discussed further with Chairman Van Buskirk of the Federal Reserve Bank of Cleveland the possibility of the appointment of Joseph B. Hall as successor to Mr. Van Buskirk on the Board of Directors of the Federal Reserve Bank of Cleveland at the expiration of the latter's current term of office.

Appointment of Mr. Bemis. The Board appointed Mr. Judson Bemis, President of the Bemis Bro. Bag Co., Minneapolis, Minnesota, as Deputy Chairman of the Federal Reserve Bank of Minneapolis for the remainder of the calendar year 1961.

Directors Day program. The Board reviewed the information contained in a memorandum from Mr. Fauver dated March 21, 1961, regarding the Directors Day program held on March 15 and 16, and certain suggestions were made for consideration in planning similar meetings in the future.

The meeting then adjourned.

Secretary's Note: Governor Shepardson today approved on behalf of the Board the following items:

Letter to the Federal Reserve Bank of Richmond (attached Item No. 7) approving the designation of Robert R. Beasley as special assistant examiner.

Letter to the Federal Reserve Bank of Chicago (attached Item No. 8) approving the reappointment of Mendal C. Mearkle as assistant examiner.

Memoranda from appropriate individuals concerned recommending the following items relating to the Board's staff:

Appointment

Viola Brosnahan as Clerk-Stenographer in the Division of Administrative Services, with basic annual salary at the rate of $4,250, effective the date of entrance upon duty.

Salary increases, effective April 2, 1961

Name and title	Division	Basic annual salary From	To
	Research and Statistics		
Wilellyn Morelle, Economist		$ 7,820	$ 8,080
Milton Moss, Economist		12,990	13,250
David S. Staiger, Economist		8,600	8,860
	Bank Operations		
Raymond J. Collier, Chief, Current Series Section		11,415	12,210
Lee W. Langham, Chief, Call Report Section		11,415	12,210
E. Ralph Massey, Chief, Reserve Bank Operations Section		11,675	12,210
Edna Kiatta Noyes, Statistical Clerk		4,565	4,670
	Examinations		
Cyril J. Bowman, Assistant Federal Reserve Examiner		6,930	7,095
Edward W. Healey, Assistant Federal Reserve Examiner		5,685	5,850
	Administrative Services		
Helen M. Capozio, Publications Assistant		6,015	6,180
Charles P. Brown, Messenger		3,500	3,605

Secretary

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

Item No. 1
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 29, 1961.

Philadelphia International Investment Corporation,
P. O. Box 7618,
Philadelphia, Pennsylvania.

Gentlemen:

In accordance with the request contained in your letter of February 17, 1961, transmitted through the Federal Reserve Bank of Philadelphia, and on the basis of the information furnished, the Board of Governors grants its consent for Philadelphia International Investment Corporation to acquire and hold approximately 28,775 shares, par value Colombian Pesos 10 each, of the capital stock of Envases Colombianos S. A. ("ENCO"), Barranquilla, Colombia, in connection with a $225,000 loan participation with International Finance Corporation, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that your Corporation shall dispose of its holdings of stock of ENCO, as promptly as practicable, in the event that ENCO 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 which, in the judgment of the Board of Governors of the Federal Reserve System, is inconsistent with Section 25(a) of the Federal Reserve Act or regulations thereunder.

Upon completion of the organization of ENCO, it will be appreciated if you will furnish the Board of Governors, through the Federal Reserve Bank of Philadelphia, (a) a balance sheet of ENCO; (b) a list of officers and directors, with addresses and principal business affiliations; (c) a description of the stock acquired; (d) information concerning the rights and privileges of the various classes of stock of ENCO outstanding; and (f) a list showing each stockholder holding 5 percent or more of any class of stock of ENCO.

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
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 29, 1961

Board of Directors,
Old Kent Bank and Trust Company,
Grand Rapids, Michigan.

Gentlemen:

Pursuant to your request submitted through the Federal Reserve Bank of Chicago, the Board of Governors of the Federal Reserve System approves the establishment of a branch at or near the intersection of Breton Avenue and Burton Street, Grand Rapids, Michigan, by Old Kent Bank and Trust Company, provided the branch is established within one year from the date of this letter. This branch is being approved in lieu of an in-town branch at 1500 Kalamazoo Avenue, S.E., approved by the Board on October 14, 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. 3
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 29, 1961

Mr. Delos C. Johns, President,
Federal Reserve Bank of St. Louis,
P. O. Box 442,
St. Louis 66, Missouri.

Dear Mr. Johns:

This refers to the proposed purchase of property adjoining the Louisville Branch property, as described in your letter of March 10, 1961.

The Board will interpose no objection to the initiation of negotiations, and authorizes purchase of this property at a price of approximately $175,000.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

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

Item No. 4
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 29, 1961

CONFIDENTIAL (FR)

Mr. William F. Treiber,
First Vice President,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Treiber:

The Board of Governors approves the payment of salary at the rate of $10,500 per annum to Mr. Martin French as an officer of the Federal Reserve Bank of New York with the title of Manager during the period March 10 through December 31, 1961. The salary rate was fixed by the Board of Directors, as reported in your letter of March 10.

The Board of Governors has noted the change in assignments to the Secretary's Office affecting the officers listed below whose salaries are continued at rates previously approved, for the calendar year 1961, as indicated in the Board's letter dated January 27:

Name	Title	Annual Salary
William H. Braun, Jr.	Assistant Counsel	$17,500
Thomas M. Timlen, Jr.	Assistant Counsel and Secretary	13,500
Alan R. Holmes	Manager and Assistant Secretary	16,000

The Board has also noted the change in departmental assignment of Mr. William F. Palmer, Manager.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

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

Item No. 5
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 29, 1961

Confidential (FR)

Mr. Delos C. Johns,
President,
Federal Reserve Bank of St. Louis,
St. Louis 66, Missouri.

Dear Mr. Johns:

The Board of Governors approves the recommendation contained in your letter of March 14, 1961, that, in view of the circumstances related, Dr. Arthur C. Brooks, your Bank's physician, be retained in the active service of the Bank for one year beyond the normal service retirement date of August 1, 1961.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 6
3/29/61

OFFICE OF THE CHAIRMAN

March 30, 1961.

The Honorable Wilbur D. Mills,
Chairman,
Committee on Ways and Means,
House of Representatives,
Washington 25, D. C.

Dear Mr. Chairman:

This is in response to your request of March 6, 1961, for reports on two identical bills, H.R. 2899 and H.R. 2900, which would amend the Internal Revenue Code of 1954, as amended, with respect to the taxation of savings and loan associations, and mutual savings banks.

Under existing law each savings and loan association and mutual savings bank may accumulate tax deductible bad debt reserves in any reasonable amount as long as the sum of such reserves, surplus and undivided profits does not exceed 12 per cent of deposits or shares. The proposed bills would eliminate legal stipulation of the maximum amount of bad debt reserves, and the amount would be determined by the Secretary of the Treasury. For commercial banks, the amount of permissible bad debt reserves is determined by the Secretary of the Treasury and is smaller in relation to liabilities than for savings and loan associations and mutual savings banks.

The question presented by these bills is but one phase of the broad question of the proper tax treatment of the various nonstock business and financial organizations, which was one of the areas covered in your Committee's tax revision study in the 86th Congress. Just how much tax free reserves financial institutions should have appears to involve a number of highly technical considerations such as the loss experience of these institutions, the character of their assets, and how much of an allowance would be fair and equitable. The Board has no special knowledge or view with respect to how large such reserves for savings and loan associations and mutual savings banks need to be.

Nevertheless, there is a serious question as to whether the existing arrangements with respect to taxation are wholly equitable as among various financial institutions. The Board feels that the size of the tax-free bad debt allowance should be determined in the same way for other institutions as for commercial banks. Once legislation permits such an allowance, determination of the maximum amount would seem to be best decided administratively, by the Secretary of the Treasury, because of the technical considerations involved in setting it according to varying needs and experience of different institutions.

Sincerely yours,

Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

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

Item No. 7
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

MAR 29 1961

Mr. John L. Nosker, Vice President,
Federal Reserve Bank of Richmond,
Richmond 13, Virginia.

Dear Mr. Nosker:

In accordance with the request contained in your letter of March 23, 1961, the Board approves the designation of Robert R. Beasley as a special assistant examiner for the Federal Reserve Bank of Richmond for the purpose of participating in examinations of State member banks except State-Planters Bank of Commerce and Trusts, Richmond, Virginia. The authorization heretofore given your Bank to designate Mr. Beasley as a special assistant examiner is hereby canceled.

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
3/29/61

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

MAR 29 1961

Mr. Hugh J. Helmer, Vice President,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Helmer:

In accordance with the request contained in your letter of March 23, 1961, the Board approves the reappointment of Mendal C. Mearkle as an assistant examiner for the Federal Reserve Bank of Chicago. Please advise us of the effective date of the appointment.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.