

Minutes for December 27, 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

M

Gov. Mills

[Signature]

Gov. Robertson

R

Gov. Balderston

CB

Gov. Shepardson

[Signature]

Gov. King

[Signature]

Gov. Mitchell

[Signature]

Minutes of the Board of Governors of the Federal Reserve System on  
Wednesday, December 27, 1961. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Balderston, Vice Chairman  
Mr. Mills  
Mr. Robertson  
Mr. Shepardson

Mr. Sherman, Secretary  
Mr. Kenyon, Assistant Secretary  
Mr. Fauver, Assistant to the Board  
Mr. Hackley, General Counsel  
Mr. Farrell, Director, Division of Bank  
Operations  
Mr. O'Connell, Assistant General Counsel  
Mr. Hooff, Assistant General Counsel  
Mr. Sammons, Adviser, Division of  
International Finance  
Mr. Conkling, Assistant Director, Division  
of Bank Operations  
Mr. Kiley, Assistant Director, Division of  
Bank Operations  
Mr. Hostrup, Assistant Director, Division  
of Examinations  
Mr. Leavitt, Assistant Director, Division  
of Examinations  
Mr. Spencer, General Assistant, Office of  
the Secretary  
Mr. Troup, Supervisory Review Examiner,  
Division of Examinations

Discount rates. The establishment without change by the Federal Reserve Bank of Boston on December 22, 1961; the Federal Reserve Bank of New York on December 21, 1961; the Federal Reserve Bank of Atlanta on December 26, 1961; and the Federal Reserve Bank of San Francisco on December 21, 1961, 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.

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Items circulated or distributed to the Board. The following items, which had been circulated or distributed 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 Boston interposing no objection to the use of a revised form developed by the Massachusetts State Banking Department for the publication of condition reports by State member banks.	1
Letter to Chemical Bank New York Trust Company, New York, New York, confirming the Board's determination of November 17, 1961, with respect to that bank's holding company affiliate status.	2
Letter to the Comptroller of the Currency requesting that an order be placed for printing Federal Reserve notes of the Federal Reserve Bank of Dallas.	3
Letter to the Comptroller of the Currency recommending favorably with respect to an application to organize a national bank at Green Bay, Wisconsin.	4
Telegram to the Federal Reserve Bank of New York authorizing it to open an account in the name of the Bank of Jamaica.	5
Telegram to the Federal Reserve Bank of Philadelphia interposing no objection to the acquisition of certain electronic check-processing equipment.	6

Messrs. Sammons, Conkling, and Hostrup withdrew from the meeting at this point.

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Report on competitive factors (Anchorage-Juneau, Alaska). Copies of a memorandum dated December 26, 1961, from the Division of Examinations had been distributed submitting a draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed purchase of assets and assumption of liabilities of The First National Bank of Juneau, Juneau, Alaska, by The First National Bank of Anchorage, Anchorage, Alaska.

In discussion, Governor Mills commented that Alaska was a State that had, according to many people, suffered from monopolies, especially in the area of mercantile and shipping activities. It was hoped that statehood would relieve those pressures. In banking, however, there was a trend, which would be aggravated by the present proposal, toward a two-bank concentration of assets in the State. While the background circumstances seemed to justify this particular merger, this was a time in the development of the State when there should be a forewarning of the trend. With this in mind, he suggested a revision of the conclusion of the report.

Following further discussion, agreement was expressed with a change in the conclusion that reflected Governor Mills' suggestion and a subsequent suggestion by Governor Robertson. The report was then approved unanimously for transmittal to the Comptroller in a form in which the conclusion read as follows:

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There is virtually no competition between the two banks involved in this proposal. However, the immediate effect of the purchase of assets and assumption of liabilities of The First National Bank of Juneau by The First National Bank of Anchorage would be to intensify competition in Juneau. It would also signalize a concentration of banking resources as two banks would then hold over 50 per cent of deposits and loans held by all commercial banks in the State.

Application of Citizens Commercial & Savings Bank. At the meeting on June 19, 1961, the application of Citizens Commercial & Savings Bank, Flint, Michigan, to consolidate with Old Corunna State Bank, Corunna, Michigan, was denied, Governor Mills dissenting. (Chairman Martin and Governors Robertson and Shepardson voted for denial.) Subsequent to this action, Mr. Solomon reported at the meeting on June 29, 1961, that representatives of the applicant bank had left with him a letter dated June 27, 1961, addressed to the Board which in effect indicated that the bank expected to submit additional material and to request an opportunity to appear before the Board.

A memorandum dated December 21, 1961, from the Division of Examinations, had now been distributed. The memorandum stated that in a letter dated October 27, 1961, the President of Citizens supplied additional information through the Federal Reserve Bank of Chicago and asked that the Board reconsider the application; no oral hearing was requested by the applicant. While the Division of Examinations originally recommended approval of the application, it was the opinion of that Division that the request for reconsideration contained no

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important new factors which would warrant a reversal of the Board's original decision. The memorandum presented an analysis of the material newly submitted, along with the views of the other Federal bank supervisory agencies and the Department of Justice on the competitive aspects of the matter, as appraised in the light of the additional information.

Commenting upon this subject, Mr. Leavitt said that when the Michigan State Banking Commissioner visited the Board's offices recently the matter had been mentioned. While not making any definite statement, the Commissioner seemed to infer that State approval of the consolidation might not be renewed upon its expiration at the end of this year. The applicant, having the expiration date in mind, had expressed a desire to have the Board reconsider the matter while the State approval was still outstanding.

In view of the unusual circumstances involved, there ensued a rather lengthy discussion of the procedure that would be most appropriate.

During this discussion Governor Mills expressed the opinion that in a situation of this kind, where the matter was being presented to the Board for consideration on a second occasion, a full Board should be available. At the least, the members of the Board who had participated in the original decision should be present. In this instance, he noted, there was at least one changed circumstance: the request of the applicant bank, pending at the time of the original decision, for permission to consolidate with the Chesaning State Bank, Chesaning, Michigan, had since

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been denied by the State banking authorities. If the request for reconsideration were to be acted upon today, he indicated that he would abstain from voting.

In further comments, made subsequently during the discussion, Governor Mills noted that the Board had reconsidered several bank merger cases and bank holding company cases. In most of those instances, the original decision had been reaffirmed, but in two or three cases the judgment of the Board, upon reconsideration, had required a reversal of the original decision. If new information was submitted in good faith and the Board agreed to reconsider the matter on the basis of that information, he did not feel that the way in which the decision turned in the light of that review was anything that would reflect on the Board's status in the eyes of applicants.

Governor Mills also said that he was not as much concerned that a full Board be available for reconsideration of a case as that the number of members present be greater than four and that the members who participated in the original decision be given an opportunity to record their votes in the light of the additional information presented. In this instance, the possibility that the State approval might not be renewed did not alter his judgment that the request for reconsideration should be held over for more mature examination at a time when additional members of the Board were present.

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Governor Robertson expressed the view that it would be appropriate to act on the request for reconsideration at this time. He suggested that a failure to act on the matter by the end of this year, as requested by the applicant, would in effect shift the decision back to the State authorities. If the Board refrained from acting, pursuant to such request, and the State approval was not renewed, the lack of action on the part of the Board would have the same effect as negative action on the request for reconsideration. In other words, unless the State approval should be extended, a lack of action today on the part of the Board would represent a refusal to act in the only time that was available.

Governor Shepardson directed to Mr. Leavitt a series of questions designed to bring out the weight that should be given to the additional material that had been submitted by the applicant bank. The replies to these questions indicated that in the opinion of the Division of Examinations the management of the Corunna bank was satisfactory, though not outstanding. Further, although it might be, as indicated by the applicant, that certain aged shareholders of the Corunna bank would favor the consolidation proposal, this general argument might be made in many similar cases. (In this connection, Mr. Hackley said that in his opinion the element of the right of people to get into and out of a business might be a valid factor for the Board to take into account in considering the public interest in a bank merger case, even though this factor was not referred to in the bank merger statute. However,

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he thought it must be weighed against the consideration that was uppermost in the mind of the Congress in enacting the legislation, namely, the concentration of banking resources. It was a point that might be given more consideration when a proposed merger would not have a significant effect on competition.) Mr. Leavitt also said that the claim that the Corunna bank had been losing deposits since 1958 did not appear to be borne out by a review of condition report data. In summary, although the Division of Examinations had originally recommended favorably on the proposed consolidation, it did not feel that the additional information submitted by applicant was sufficient to warrant reversal of the Board's decision to deny the application.

Governor Shepardson then indicated that he would not be too concerned about a relatively brief delay in Board action, per se, and that he was more concerned about the implications of acting or not acting at this time. Balancing all of the considerations involved, he would lean toward deferring action on the matter.

Governor Balderston indicated that he would have some concern about taking action to reverse the Board's original position, if that should be the Board's decision upon reconsideration, just prior to the expiration date of the State approval. Also, it seemed to him that any reversal in a case of this kind should preferably be made by a full Board, or at least a Board which included the members who had participated in the original decision. On balance, he was inclined to feel that the

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possible disadvantages of deferring action on the matter were of less consequence than the risk of confusion that might result from action at this time. Therefore, he would lean toward deferring action and considering the matter at a time when additional members of the Board were available, if the approval of the State should be extended.

Accordingly, Governor Robertson's view to the contrary having been noted, it was agreed to defer action on the request for reconsideration of the application. Mr. Leavitt was authorized to advise the Federal Reserve Bank of Chicago informally concerning the outcome of this discussion.

Messrs. Hooff, Kiley, and Troup withdrew from the meeting at this point.

Record of public proceeding in the matter of Morgan New York State Corporation. Governor Mills referred to the document described as the applicant's closing memorandum that had been submitted by Morgan New York State Corporation in connection with its application for approval of actions to become a bank holding company, on which a public oral presentation had been heard by the Board on December 7, 1961. The form in which the memorandum was drafted indicated to him a definite likelihood that litigation would be instituted if the Board's action on the application should be adverse. The memorandum would tie back to various statements that had been made at the oral presentation, and in this connection he had addressed this morning the following memorandum to Mr. O'Connell:

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My inspection of the stenographic transcript of the December seventh hearing indicates that the original text has been edited. If my surmise is correct, kindly supply me with a copy of the unedited text.

If I am in error, I consider that the stenotypist was incompetent and should not be chosen to serve at any future Board hearings.

Governor Mills added that if there had been an editing of the transcript without the knowledge of all concerned and if the transcript should at some future time be brought into evidence in a contested suit, he thought there would be a very prejudicial record.

Mr. O'Connell commented that on the day the transcript was received he had occasion to talk with a representative of the Board's contract reporting firm (Alderson Reporting Company), at which time he advised that upon a first reading of the transcript it appeared that there were a number of inaccuracies. The Alderson representative indicated that the reporter who covered the oral presentation was not then available, but that upon his return the stenotype notes would be reviewed. Mr. O'Connell went on to say that the difficulty might have reflected a careless job of transcribing the stenotype notes. As to the transcript in its present form, it appeared that about 75 per cent consisted of prepared statements. These appeared to have been included fairly accurately, the inaccuracies being centered primarily in the other parts of the transcript. As to that part of the record, the stenotypist's notes alone would control, except for the recollections of those who had spoken. Mr. O'Connell said he had made orally, and would confirm by

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letter over the Secretary's signature, a request to the reporting firm that the transcript be checked on the basis of a careful reexamination of the stenotype notes. If the difficulty was in the transcribing, a better transcript might be forthcoming from such a procedure.

Governor Mills then said he believed that the stenotype record should be impounded by the Secretary of the Board, and Mr. Sherman noted that there would be no difficulty in making such an arrangement, since by the terms of the contract with the reporting firm it was stipulated that such notes were the property of the Board.

There followed a discussion during which comments were made on errors that had been noted in the transcript. It was brought out that verbatim transcripts of various proceedings were typically characterized by some inaccuracies, though not usually to the extent found in this case, and that the use of mutually agreed-upon errata sheets was customary. Mr. O'Connell indicated that he would be glad to have errata sheets prepared in this instance to such extent as members of the Board might desire.

On the broader subject of stenographic reporting services, reference was made to the fact that the Alderson firm had held the contract to perform services for the Board for several years on the basis of successful bids, that in general the firm's product has been considered quite satisfactory, but the firm had bid unsuccessfully on the contract for reporting services during 1962, with the result that

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the Hoover Reporting Company, Inc., had secured the contract. Mr. O'Connell described the steps he had taken in connection with reported proceedings in the past to prepare the reporter as well as possible and to assure that the reporter was placed in a position to hear the proceeding satisfactorily. It was indicated that arrangements would be made at forthcoming proceedings to install amplifying equipment.

At the conclusion of the discussion, Governor Balderston referred to the suggestion that had been made that the stenotype notes of the December 7 proceeding be impounded, and the Secretary commented that, as indicated previously, this could be done, since under the contract these were the Board's property. As had been pointed out also, however, this would not necessarily assure correction of the difficulty to which Governor Mills had referred, which could be traceable to defects in the stenotypist's notes rather than to errors in transcribing them.

Certificates of deposit. Governor Mills requested that the Legal Division favor the Board with an opinion as to whether certificates of deposit, where they were in effect sold, would come within the provisions of the Securities Exchange Act and could be issued legally by commercial banks. In this connection, he referred to current press comments regarding a plan of the Franklin National Bank of Long Island, Mineola, New York, involving the issuance of certain "time savings certificates" in various denominations. The certificates would be redeemable after 12 months from issue date at stated yearly redemption values affording

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an effective interest rate of 3.10 per cent for the first year, ranging upward to a return of 3.87 per cent in the twentieth year. Interest would be compounded annually.

Ratification of actions. Actions taken at a meeting of the available members of the Board on December 22, 1961, as recorded in the minutes of that date, were ratified by unanimous vote.

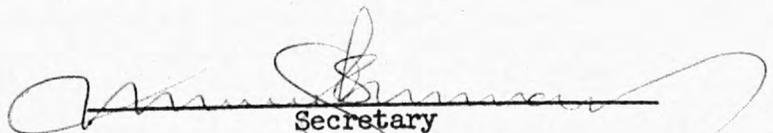
The meeting then adjourned.

Secretary's Note: Acting in the absence of Governor Shepardson, Governor Robertson approved on behalf of the Board on December 26, 1961, the following items:

Memorandum from the Division of Research and Statistics recommending that Frances Skehan, Statistical Assistant in that Division, be granted leave without pay from the close of business December 22, 1961, to January 15, 1962.

Letters to the Federal Reserve Banks of Philadelphia and Cleveland (attached Items 7 and 8) approving the appointment of Clarence H. Roesch and Richard Allen Darrah as assistant examiners for the respective Banks.

Governor Shepardson today approved on behalf of the Board a letter to the Federal Reserve Bank of New York (attached Item No. 9) approving the appointment of Robert P. Hauff and Charles S. Strickler, Jr., as assistant examiners.

  
Secretary

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

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Item No. 1  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 27, 1961

Mr. B. F. Groot, Vice President,  
Federal Reserve Bank of Boston,  
Boston 6, Massachusetts.

Dear Mr. Groot:

This refers to your letter of November 30 transmitting a copy of the revised form provided by the Massachusetts State Banking Department for the proposed joint publication of condition reports rendered by State member banks to the State Banking Department and to your Bank, and pointing out differences between the Massachusetts form and the Board's Form FR 105e.

With respect to loans and discounts, banking house, capital accounts, and attestation, the Massachusetts form is practically unchanged from the form that your Bank, in accordance with the Board's letter of September 17, 1946, has been accepting for publication of condition reports of Massachusetts State member banks. It is noted that the revised form no longer shows the assets and liabilities of savings departments separately and in this respect it is more comparable to Form FR 105e than in 1946. Only in the item of corporate stocks has there been a substantial deviation since 1946; at that time both the Massachusetts and Board forms included the inset for reporting the amount of stock of Federal Reserve Bank.

The remaining differences are not substantial and result from recent revisions in the Board's form; and it is understood that the Banking Department intends to revise its form further to conform more closely to the current Form FR 105e.

In the circumstances, the Board will interpose no objection to the acceptance of the publication of condition reports of Massachusetts State member banks in accordance with the copy transmitted with your letter, or with a further revision conforming more closely with the current Form FR 105e.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

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

Item No. 2  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 27, 1961

Mr. Harvey A. Basham, Jr., Vice President,  
Chemical Bank New York Trust Company,  
30 Broad Street,  
New York 15, New York.

Dear Mr. Basham:

This refers to your letter of November 29, 1961, with respect to the determination of November 17, 1961, by the Board of Governors, as to the status of Chemical Bank New York Trust Company as a holding company affiliate.

The Board's determination was made upon the understanding that Chemical Bank New York Trust Company has no rights or powers, other than fiduciary, with respect to shares of capital stock of several banks it holds as co-trustee under a collateral trust indenture to secure the payment of certain bonds of Financial General Corporation, except to execute and deliver waivers of notices of stockholders' meetings, powers of attorney, or proxies to persons named by Financial General Corporation, or, in the event of default of such bonds, to vote or give consents with respect to such stock as directed by the holders of a majority in principal amount of the bonds then outstanding; and that the Trust Company does not in its own right own, manage, or control any banking institution.

You have called attention to the fact that under the above-mentioned authority, the Trust Company, in the event of default and in the absence of direction by the bondholders, would vote or give consents in respect to such stock as required by its fiduciary duties under the indenture. Your letter also calls attention to the fact that the Trust Company owns all of the stock of a financing corporation and of a banking corporation, each of which is organized under section 25(a) of the Federal Reserve Act.

The Trust Company would, of course, be acting only in a fiduciary capacity under the indenture and not in its own right, and the Board does not consider the term "banking institution" as

Mr. Harvey A. Basham, Jr.

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used in its determination as including foreign financing and banking corporations. Accordingly, this letter is to confirm the Board's determination of November 17, 1961, with respect to the holding company affiliate status of Chemical Bank New York Trust Company, after due regard to the facts set forth in your letter of November 29, 1961.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

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

Item No. 3  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 27, 1961

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, supplementing the order requested in the letter of June 16, 1961, for the printing of Federal Reserve notes of the Federal Reserve Bank of Dallas, in the amounts and denominations stated below:

<u>Denomination</u>	<u>Number of notes</u>	<u>Dollar amount</u>
\$ 50	144,000	\$ 7,200,000
\$100	288,000	28,800,000

Respectfully,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

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

Item No. 4  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 27, 1961

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

Attention Mr. W. M. Taylor,  
Deputy Comptroller of the Currency.

Dear Mr. Comptroller:

Reference is made to a letter from your office dated June 15, 1961, enclosing copies of an application to organize a national bank at Green Bay, Wisconsin, 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 Chicago indicated that a capital structure of \$450,000 is to be provided rather than \$350,000 as originally proposed. The proposed \$450,000 appears adequate and all other factors usually considered in applications of this nature are satisfactory. Accordingly, the Board of Governors recommends favorable consideration of the proposal.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,  
Assistant Secretary.



T E L E G R A M  
LEASED WIRE SERVICEItem No. 5  
12/27/61BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON

December 27, 1961

SANFORD - NEW YORK

Your wire December 21. Board approves opening and maintenance of an account in the name of the Bank of Jamaica, subject to usual terms and conditions. Understood that participation in account will be offered to other Federal Reserve Banks.

(Signed) Merritt Sherman  
SHERMAN

**TELEGRAM**  
**BOARD OF GOVERNORS**  
OF THE  
**FEDERAL RESERVE SYSTEM**  
LEASED WIRE SERVICE  
**WASHINGTON**

Item No. 6  
12/27/61

December 27, 1961

Hilkert - Philadelphia

Board interposes no objection to purchase of complement No. 2 of  
IBM electronic check handling equipment referred to in your letter December 15  
and accompanying memorandum.

(Signed) Merritt Sherman  
Sherman

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

Item No. 7  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 26, 1961.

CONFIDENTIAL (FR)

Mr. Joseph R. Campbell, Vice President,  
Federal Reserve Bank of Philadelphia,  
Philadelphia 1, Pennsylvania.

Dear Mr. Campbell:

In accordance with the request contained in your letter of December 12, 1961, the Board approves the appointment of Clarence H. Roesch as an assistant examiner for the Federal Reserve Bank of Philadelphia. Please advise the effective date of the appointment.

It is noted that Mr. Roesch is indebted to Egg Harbor Bank and Trust Company, Egg Harbor City, New Jersey, a State member bank, in the amount of \$1,920. Accordingly, the Board's approval of the appointment of Mr. Roesch is given with the understanding that he will not participate in any examination of that bank until his indebtedness has been liquidated.

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. 8  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 26, 1961

Mr. Paul C. Stetzelberger, Vice President,  
Federal Reserve Bank of Cleveland,  
Cleveland 1, Ohio.

Dear Mr. Stetzelberger:

In accordance with the request contained in your letter of December 6, 1961, the Board approves the appointment of Richard Allen Darrah as an assistant examiner for the Federal Reserve Bank of Cleveland. Please advise us if the appointment is not made effective January 2, 1962, as planned.

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  
12/27/61

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 27, 1961

CONFIDENTIAL (FR)

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 15, 1961, the Board approves the appointment of Robert P. Hauff and Charles S. Strickler, Jr. as assistant examiners for the Federal Reserve Bank of New York. Please advise the effective dates of the appointments.

It is noted that Mr. Hauff is indebted to The Chase Manhattan Bank, New York, New York, in the amount of \$1,200. Accordingly, the Board's approval of the appointment of Mr. Hauff is given with the understanding that he will not participate in any examination of that bank until his indebtedness has been liquidated.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,  
Assistant Secretary.