

Minutes for January 24, 1962

To: Members of the Board

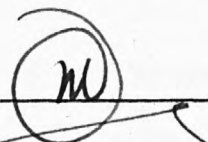
From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

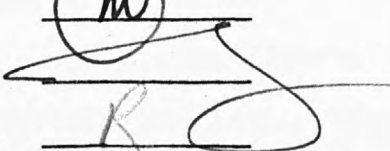
It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

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.

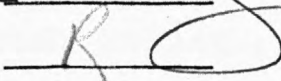
Chm. Martin



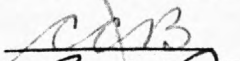
Gov. Mills



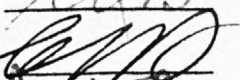
Gov. Robertson



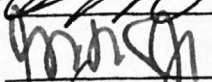
Gov. Balderston



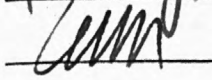
Gov. Shepardson



Gov. King



Gov. Mitchell



Minutes of the Board of Governors of the Federal Reserve System on
Wednesday, January 24, 1962. The Board met in the Board Room at 10:00 a.m.

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

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Miss Carmichael, Assistant Secretary
Mr. Fauver, Assistant to the Board
Mr. Hexter, Assistant General Counsel
Mr. Hooff, Assistant General Counsel
Mr. Conkling, Assistant Director, Division of
Bank Operations
Mr. Benner, Assistant Director, Division of
Examinations
Mr. Sprecher, Assistant Director, Division of
Personnel Administration
Mr. McClintock, Supervisory Review Examiner,
Division of Examinations

Discount rates. The establishment without change by the Federal Reserve Banks of Boston and Atlanta on January 22, 1962, 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 to the Board. The following items, which had been circulated to the Board and copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

Item No.

Letter to the Comptroller of the Currency recommending unfavorably with respect to an application to organize a national bank at Flushing, New York.

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	<u>Item No.</u>
Letter to The Fulton County National Bank of McConnellsburg, McConnellsburg, Pennsylvania, approving its application for fiduciary powers.	2
Letter to The Central National Bank of Carthage, Carthage, Missouri, approving its application for fiduciary powers.	3
Letter to The Vienna Trust Company, Vienna, Virginia, approving an investment in bank premises.	4
Letter to the Federal Reserve Bank of Dallas authorizing it to waive the assessment of penalties incurred by Winters State Bank, Winters, Texas, because of deficiencies in its required reserves.	5
Letter to the Federal Deposit Insurance Corporation regarding the application of Farmers & Merchants Bank, Marianna, Arkansas, for continuation of deposit insurance after withdrawal from membership in the Federal Reserve System.	6
Letter to Bay City Bank & Trust Company, Bay City, Texas, waiving the requirement of six months' notice of withdrawal from membership in the Federal Reserve System.	7
Letter to the Federal Deposit Insurance Corporation regarding the application of Bay City Bank & Trust Company, Bay City, Texas, for continuation of deposit insurance after withdrawal from membership in the Federal Reserve System.	8
Letter to the Federal Reserve Bank of Cleveland approving the appointment as Federal Reserve Agent's Representatives of Robert P. Schafer at the Cincinnati Branch and Walter L. Bedel at the Pittsburgh Branch.	9
Letter to the Federal Reserve Bank of St. Louis approving the appointment of Dean E. Mayfield as Federal Reserve Agent's Representative at the Little Rock Branch.	10

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	<u>Item No.</u>
Letter to Depositors Trust Company, Augusta, Maine, approving the establishment of a branch in Skowhegan.	11
Letter to Union Trust Company of Ellsworth, Ellsworth, Maine, approving the establishment of a branch at Outer High Street.	12
Letter to The Connecticut Bank and Trust Company, Hartford, Connecticut, approving the establishment of a branch in the Elmwood section of West Hartford.	13
Letter to The Chase Manhattan Bank, New York, New York, approving the establishment of a branch at 9313 Third Avenue, Borough of Brooklyn.	14
Letter to The Central Trust Company, Cincinnati, Ohio, approving the establishment of a branch at 3300 Central Parkway, provided that branch operations conducted at 3129 Spring Grove Avenue are discontinued simultaneously with the establishment of the new branch.	15
Letter to Bank of Lansing, Lansing, Michigan, approving the establishment of a branch near South Logan Street and Holmes Road.	16
Letter to Union Bank and Trust Company, Grand Rapids, Michigan, approving the establishment of a branch at 1530-28th Street, S. E.	17
Letter to Farmers Bank and Trust Company, Blytheville, Arkansas, approving the establishment of a branch at 106 North Broadway Street.	18

Messrs. Young, Adviser to the Board and Director, Division of International Finance, Furth, Adviser, Division of International Finance, and Veret, Attorney, Legal Division, entered the room and Messrs. Conkling and Sprecher withdrew from the meeting.

Report on competitive factors (Portland-Brunswick, Maine). There had been distributed to the Board a draft of report to the Comptroller of

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the Currency on the competitive factors involved in the proposed merger of The First National Bank of Brunswick, Brunswick, Maine, with and into First National Bank of Portland, Portland, Maine. As drafted, the conclusion read as follows:

There appears to be some competition between The First National Bank of Brunswick and First National Bank of Portland which would be eliminated by the proposed merger. Approval of the merger would probably intensify competition in the Brunswick area.

Governor Mitchell raised the question whether the Board's reports on competitive factors should not present a net judgment; that is, whether the Board should not come to a conclusion one way or the other rather than to indicate in one sentence that some competition would be eliminated and in the next that competition would be intensified.

This question led to a general discussion of the problem involved in evaluating a situation where a proposed transaction would reduce the number of competing units but where there was at the same time an indication that the remaining units would compete against each other more vigorously. Although it was recognized that the balancing of these considerations might often be difficult, there appeared to be general agreement with the view that to the extent possible it would be desirable to arrive at a judgment as to which of these factors deserved the greater weight. Relating this discussion to the instant case, several suggestions were made as to the manner in which the conclusion might most appropriately be stated in the light of the facts

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available to the Board. The report was then approved unanimously in a form in which the conclusion read as follows:

Although some competition between The First National Bank of Brunswick and First National Bank of Portland would be eliminated by the proposed merger, general competition in the Brunswick area probably would be intensified sufficiently to outweigh the reduction in the number of banks.

Application of Columbus Junction State Bank (Items 19 and 20).

Pursuant to the decision by the Board on January 18, 1962, to approve the application of Columbus Junction State Bank, Columbus Junction, Iowa, to purchase the assets and assume the liabilities of The Louisa County National Bank of Columbus Junction, Iowa, there had been distributed drafts of an order and statement reflecting that decision.

Agreement having been expressed with a rearrangement of the material contained in the summary and conclusion of the statement for the purpose of emphasizing factors considered to lend most support to the decision, the issuance of the order and statement was authorized subject to this rearrangement being made. Copies of the documents issued pursuant to this authorization are attached as Items 19 and 20.

Application of Citizens Central Bank (Items 21 and 22). There had been distributed memoranda from the Division of Examinations and the Legal Division dated January 18 and January 22, 1962, respectively, regarding an application by The Citizens Central Bank, Arcade, New York, to merge with Bank of Delevan, Delevan, New York, under the charter and title of the applicant, and to operate a branch at the present location

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of Bank of Delevan. The application had been made to remedy a situation requiring expeditious action, arising from a "check-kiting" incident that had depleted the Delevan bank's capital structure of about \$300,000 by an amount estimated at in excess of \$200,000.

In its memorandum the Division of Examinations concurred in the recommendation of the Federal Reserve Bank of New York that the application be approved. The Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Justice Department, in reports to the Board, had expressed the view that the proposed merger would not have a substantial adverse effect on competition and, in any event, that the emergency situation must be recognized.

Attached to the Legal Division's memorandum were drafts of an order and statement that might be used in the event of Board approval of the application.

In discussion of the matter, Governor Mills expressed concern about the wording of certain portions of the proposed statement. While Bank of Delevan, as a result of the check-kiting incident, had suffered a substantial impairment of its capital, the bank was not insolvent. However, it seemed to him that the tone of the proposed statement, as exemplified by certain language to which he referred, almost suggested that Bank of Delevan was insolvent and that its problems would be transmitted to the resulting bank.

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After certain changes in the wording of the statement had been suggested in the light of Governor Mills' comments, the Board approved unanimously the application of Citizens Central Bank and authorized the issuance of an order and statement in form reflecting the changes in the statement that had been agreed upon. Copies of the order and statement, as issued, are attached as Items 21 and 22.

Mr. Thomas, Adviser to the Board, entered the room at this point and Messrs. McClintock and Veret withdrew from the meeting.

Proposed amendment to Bretton Woods Agreements Act. There had been distributed under date of January 23, 1962, with a covering memorandum from Mr. Young, a draft of letter to the Bureau of the Budget replying to a request for the Board's views on a draft bill "To amend the Bretton Woods Agreements Act to authorize the United States to participate in loans to the International Monetary Fund to strengthen the international monetary system." The draft letter would indicate that the Board favored the proposed legislation.

As pointed out in the memorandum, the proposed bill had been discussed and approved by the National Advisory Council on International Monetary and Financial Problems, the membership of which included the Chairman of the Board of Governors, ex officio.

After Mr. Young had commented on the proposed bill, Chairman Martin stated that it involved a situation that had concerned him for some time. He realized it was difficult for the other members of the

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Board to express a view on matters acted upon by the National Advisory Council that may have involved both political and economic elements. One possibility, in this instance, might be to reply to the Bureau of the Budget along the lines that the National Advisory Council, of which the Chairman of the Board was a member, had recommended the adoption of the proposed bill and the Board of Governors had no comments to offer. Such a reply would put the complete responsibility on the Chairman rather than on the Board.

Governor Mills stated that he, too, was concerned about this problem. Under the present arrangements, the Chairman of the Board, as a member of the National Advisory Council, was called upon to indicate his personal approval or disapproval of some contemplated action. Then, at a subsequent date, the legislative implementation of the Council's decision would come before the Board for consideration. Thus, the Chairman of the Board, as a member of the Council, might be placed in an embarrassing position if the other members of the Board should be disinclined to comment favorably on the legislation recommended by the Council. Insofar as the present draft bill was concerned, he would favor it wholeheartedly. However, if there was advance notice that a matter was coming before the Council and if the subject was one that could be discussed outside that group, he wondered whether it would be practicable to have some informal discussion by the Board of the particular proposal.

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Chairman Martin responded that he did not think it would be practicable to follow such a procedure in view of the many matters that were constantly being considered by the Council, some of which were in process of formulation and negotiation over an extended period of time before any action was taken and some of which never developed beyond the realm of ideas. Thus, in the early stages of discussion by the Council, it was not always apparent whether any proposed legislation would result.

After commenting on the long history of the present proposal, Chairman Martin said he did not know what procedure the other members of the Board might wish to follow in this instance. He thought it would be unfortunate if the Board were to repudiate the position taken by the Chairman as a member of the National Advisory Council. He would be glad, of course, to have the Board indicate that it was favorable to the proposed legislation. On the other hand, he could understand that there might be some doubt, in the circumstances, as to how the members of the Board might want to express themselves.

There followed references to draft legislation some time ago that had presented a similar problem, and to the type of reply that the Board had made on occasions in the past when the Budget Bureau had requested views on legislative proposals reflecting recommendations of the National Advisory Council.

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Commenting on the current proposal, Governor Mitchell said he did not feel well informed. He had seen news accounts regarding it but had received no other briefing on the subject. If, however, the Board should decide to indicate that it would favor the proposed legislation, he suggested that it might be appropriate for the Board's letter to mention reasons for that position. As the letter was drafted, the Board was merely saying "aye" to the proposal.

Mr. Young said the International Finance Division would endeavor to take steps in the future to keep members of the Board better informed on the progress of matters of this kind, to the extent that the circumstances surrounding the proposal might permit. He added that the Division could furnish each member of the Board with a copy of the special report on the present proposal that had been prepared by the National Advisory Council.

After further discussion, it was agreed that the International Finance Division would have this document distributed to the members of the Board, together with alternative drafts of reply to the Budget Bureau, one of which would be prepared in the light of the approach suggested by Governor Mitchell.

Governor Robertson commented, as a matter of general procedure, that he thought the Board should not feel compelled to submit views to the Budget Bureau on matters outside the scope of its responsibilities. He believed the Board should act with discretion on such matters. It

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should not place the Chairman, as a member of the National Advisory Council, in an embarrassing position, certainly, unless a clear difference of opinion was involved on a matter within the scope of the Board's responsibilities.

Messrs. Young and Furth then withdrew from the meeting.

Interest payable on savings deposits in New York State. Pursuant to Board action on January 10, 1962, a letter was sent to the Federal Reserve Bank of New York responding to a question as to the maximum rate of interest that could be paid by national banks located in New York State during the first 12 months of a savings deposit in the light of section 24 of the Federal Reserve Act, which prohibits a national bank from paying a rate of interest on time and savings deposits higher than that permitted for "State banks or trust companies" under the law of the State in which the national bank is located. The Board had in the past construed this provision as meaning that a national bank could not pay more than the maximum rate fixed for any class of State bank, but that by the same token a national bank could pay as high a rate as that fixed for any class of State bank, including mutual savings banks.

The question as to the maximum rate of interest national banks could pay in the State of New York arose in view of a State regulation which permitted State commercial banks to pay 4 per cent only for the period beginning after the end of the first year of a savings deposit and limited them to a maximum of 3-1/2 per cent for the first year.

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However, by regulation, State mutual savings banks were permitted to pay dividends at a maximum rate of $3\frac{3}{4}$ per cent for the first year, thus providing a differential in favor of savings banks.

In its letter of January 10, 1962, to the Federal Reserve Bank of New York the Board stated that a national bank located in New York State could pay interest on savings deposits at a rate not in excess of that permitted by the State regulation for mutual savings banks, i.e., $3\frac{3}{4}$ per cent during the first year of a savings deposit; that a national bank could pay only up to $3\frac{1}{2}$ per cent currently but could credit an additional $\frac{1}{4}$ per cent for the year after the funds had remained on deposit for a year. In effect, this meant that State mutual savings banks and national banks could both pay up to the same maximum rate-- $3\frac{3}{4}$ per cent--for the first year of a savings deposit. After the first year, national banks would be limited to the 4 per cent maximum prescribed by the Board, while mutual savings banks were subject to no limitation under the State regulation. Thus, savings banks would have no immediate operative competitive advantage over national banks in soliciting new savings deposits.

In a letter dated January 17, 1962, which had been distributed to members of the Board, Mr. Oren Root, Superintendent of Banks for New York, urged the Board to take whatever action it might legally take in order to limit national banks to the same maximum rate as that fixed for State commercial banks.

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At Chairman Martin's request, Mr. Hooff reviewed the background of the problem and suggested that the Board might wish to consider any one of several courses of action, including the following: (1) rescind its interpretation permitting member banks to pay an additional interest for the year after savings deposits had remained on deposit for any 12 months; (2) reverse the interpretation with respect to New York State only; (3) amend Regulation Q so as to fix the maximum rate payable on savings deposits as the (a) maximum prescribed by the Board, or (b) the maximum prescribed under State law for State commercial banks, whichever was less.

There ensued a general discussion of the effect on the situation in New York State of the position stated in the Board's January 10 letter. It was brought out that the Board's position, which had not been publicized to date, not only had a bearing upon the competitive relationship between national banks and mutual savings banks but also the relationship between national banks and State member commercial banks. With respect to the latter, there would, of course, be no problem unless national banks should decide to announce a 3-3/4 per cent effective rate of interest for the first year of a savings deposit rather than the 3-1/2 per cent rate permitted commercial banks by New York State regulations.

The discussion brought out that no problem appeared actually to exist in New York State at the present time. So far as was known, no national bank had announced its intent to pay a rate of interest on

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savings deposits higher than the rate permitted by State regulation to be paid by State commercial banks. It was suggested that perhaps the national banks had, in fact, assumed that they were prevented from paying a higher rate. Thus, Mr. Root's apprehension appeared to stem from a situation that might develop rather than any existing problem. It was also brought out that Mr. Root's concern apparently had to do more with the position of national banks vis-a-vis mutual savings banks than the position of national banks vis-a-vis State commercial banks.

The foregoing point was clarified by comments made by Governor Balderston regarding a telephone conversation that he had had with Mr. Root at the Board's request following the January 10 decision. From Mr. Root's statements, he gathered that Mr. Root was rather obviously under pressure from the mutual savings banks. Mr. Root did not refer to the distinction between national banks and State commercial banks; neither was this point apparently of as much concern to First Vice President Treiber of the New York Reserve Bank as the competitive position of the mutuals.

In a further comment on his conversation with Mr. Root, Governor Balderston said he had made it clear that in the view of the Board a question of interpretation of the statute rather than an exercise of the Board's discretion was involved. He had told Mr. Root that while the Board would be glad to hear him on the subject, a trip to Washington for that purpose might be futile because the Board could not change the law. That point was made definite, and Mr. Root said that he understood.

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Governor Robertson suggested that the question seemed to him to come down to whether the New York State Banking Board would want to increase the maximum permissible rate of interest for mutual savings banks in order to give such banks the competitive advantage over commercial banks that the State Superintendent seemed to think they should have. He thought the Board might reply to Mr. Root that the question had been considered carefully but the Board had come to the conclusion that any alleviating action should be taken by the New York State Banking Board.

Chairman Martin pointed out that Mr. Root in his January 17 letter had indicated his willingness to discuss the problem with the Board. Accordingly, Chairman Martin inquired whether it might not be appropriate to invite Mr. Root to come to Washington to talk with members of the Board. After further discussion, agreement was expressed with such a procedure, and it was understood that Governor Balderston would call Mr. Root and invite him to meet with the Board for discussion at lunch on January 30.

Governor Mitchell said he would suggest that the Board's attitude be friendly but firm; and Governor Robertson said he felt that the Board should not indicate uncertainty as to its position. Governor King said he understood the Board's primary responsibility to be to member banks. It did not appear that there was any particular question at present on the part of the member banks. This could develop, but thus far the

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problem had to do principally with the mutual savings banks, and they were not members. He questioned whether it was necessary for the Board to give answers until specific questions were raised by or on behalf of member banks.

Mr. Hooff brought out that there had as yet been no discussions with the Comptroller of the Currency. Section 24 of the Federal Reserve Act pertains solely to national banks, and conceivably the Comptroller could take a position of questioning any interpretation by the Board so far as it related to section 24.

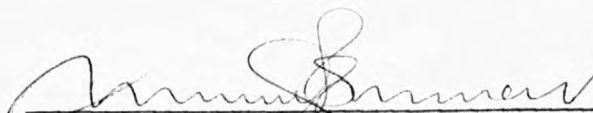
The meeting then adjourned.

Secretary's Notes: On January 23, 1962, Governor Shepardson approved on behalf of the Board the following items:

Memorandum from the Division of Administrative Services recommending that leave without pay be granted to Elsie E. Anderson, Charwoman in that Division, for a period not to exceed 30 days, beginning with four hours on January 22, 1962.

Letter to the Federal Reserve Bank of Atlanta (attached Item No. 23) approving the appointment of Robert Shealy Willingham, Jr., as assistant examiner.

Governor Shepardson noted on behalf of the Board on January 23, 1962, a memorandum from the Division of Administrative Services dated January 19, 1962, stating that the name of Lettie Reddick, Charwoman in that Division, would be removed from the Board's payroll records effective February 1, 1962, her application for disability retirement having been approved. It was noted that the disability annuity would be retroactive to October 25, 1961.


Secretary

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

Item No. 1
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

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

Attention: Mr. Hollis S. Haggard,
Deputy Comptroller of the Currency.

Dear Mr. Comptroller:

Reference is made to a letter from your office dated April 13, 1960, enclosing copies of an application to organize a national bank at Flushing, Queens County, New York, 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 New York indicates that capital would be adequate. Management of the proposed bank is not considered acceptable as the proposed executive officer does not appear to be qualified and at least one director may benefit substantially from leasing quarters to the proposed bank. Future earnings prospects are marginal and there has been no demonstrated need for additional banking facilities in Flushing. Accordingly, the Board of Governors does not feel justified in recommending favorable consideration of the application.

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
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
The Fulton County National Bank of McConnellsburg,
McConnellsburg, Pennsylvania.

Gentlemen:

The Board of Governors of the Federal Reserve System has given consideration to your application for fiduciary powers and grants The Fulton County National Bank of McConnellsburg 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 Pennsylvania. 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. 3
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
The Central National Bank of Carthage,
Carthage, Missouri.

Gentlemen:

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

In addition to the fiduciary powers herein authorized, the bank was granted authority, on June 3, 1915, to act as trustee, executor and administrator.

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. 4
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
The Vienna Trust Company,
Vienna, Virginia.

Gentlemen:

The Board of Governors of the Federal Reserve System approves, under the provisions of Section 24A of the Federal Reserve Act, an investment of \$450,000 in bank premises by The Vienna Trust Company, Vienna, Virginia, for the purpose of construction of bank premises for the bank's branch at the intersection of Maple Avenue and Berry Street in Vienna, Virginia.

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
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Mr. Watrous H. Irons, President,
Federal Reserve Bank of Dallas,
Station K,
Dallas 2, Texas.

Dear Mr. Irons:

This refers to your letter of January 11, and to Mr. Murff's telegram of January 16, 1962, regarding penalties of \$135.54 and \$103.78 incurred by the Winters State Bank, Winters, Texas, on deficiencies of 15.9 and 12.2 per cent, respectively, in its required reserves for the computation periods ended December 27, 1961 and January 10, 1962.

It is noted that the President of the bank stated that in addition to the usual Christmas rush, there was some saddening indisposition in his family and personnel problems at his bank; as soon as the matter of deficient reserves came to his attention, he arranged to remit funds to restore his reserves but a substantial portion of his funds was in the form of unavailable exchange which was not finally placed to his credit until January 9; his bank is a well run institution; and that it has a remarkably good reserve account record, with no penalty assessed against it during the past eleven years.

In the circumstances, and in view of your recommendation, the Board authorizes your Bank to waive assessment of the penalties of \$135.54 and \$103.78 for the periods ended December 27, 1961 and January 10, 1962.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

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

Item No. 6
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

The Honorable Erle Cocke, Sr., Chairman,
Federal Deposit Insurance Corporation,
Washington 25, D. C.

Dear Mr. Cocke:

Reference is made to your letter of December 29, 1961, concerning the application of Farmers & Merchants Bank, Marianna, Arkansas, for continuance of deposit insurance after withdrawal from membership in the Federal Reserve System.

No corrective programs which the Board of Governors believes should be incorporated as conditions to the continuance of deposit insurance have been urged upon or agreed to by the bank.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

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

Item No. 7
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
Bay City Bank & Trust Company,
Bay City, Texas.

Gentlemen:

The Federal Reserve Bank of Dallas has forwarded to the Board of Governors your letter dated December 14, 1961, together with the accompanying resolution dated December 13, 1961, 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 Dallas 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 Dallas.

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
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

The Honorable Erle Cocke, Sr., Chairman,
Federal Deposit Insurance Corporation,
Washington 25, D. C.

Dear Mr. Cocke:

Reference is made to your letter of January 9, 1962, concerning the application of Bay City Bank & Trust Company, Bay City, Texas, for continuance of deposit insurance after withdrawal from membership in the Federal Reserve System.

No corrective programs which the Board of Governors believes should be incorporated as conditions to the continuance of deposit insurance have been urged upon or agreed to by the bank.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.



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

Item No. 9
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Mr. Joseph B. Hall, Chairman,
Federal Reserve Bank of Cleveland,
Cleveland 1, Ohio.

Dear Mr. Hall:

In accordance with the request contained in your letter of January 10, 1962, the Board of Governors approves the appointments as Federal Reserve Agent's Representatives of Mr. Robert P. Schafer at the Cincinnati Branch and of Mr. Walter L. Bedel at the Pittsburgh Branch of the Federal Reserve Bank of Cleveland.

This approval is given with the understanding that Messrs. Schafer and Bedel will be solely responsible to the Federal Reserve Agent and the Board of Governors for the proper performance of their duties, except that, during the absence or disability of the Federal Reserve Agent or a vacancy in that office, their responsibility will be to the Assistant Federal Reserve Agent and the Board of Governors.

When not engaged in the performance of their duties as Federal Reserve Agent's Representatives, Messrs. Schafer and Bedel may, with the approval of the Federal Reserve Agent and the Vice President in charge of their respective Branches, perform such work for the Branches as will not be inconsistent with their duties as Federal Reserve Agent's Representatives.

It will be appreciated if Messrs. Schafer and Bedel are fully informed of the importance of their responsibilities as members of the staff of the Federal Reserve Agent and the need for maintenance of independence from the operations of the Bank in the discharge of these responsibilities.

It is noted from your letter that, with the approval by the Board of Governors of the appointments of Messrs. Schafer and Bedel,



Mr. Hall - 2

the usual Oath of Office forms will be executed and forwarded to the Board together with advice of the effective dates of their appointments.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

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

Item No. 10
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Mr. Pierre B. McBride, Chairman,
Federal Reserve Bank of St. Louis,
P. O. Box 442,
St. Louis 66, Missouri.

Dear Mr. McBride:

In accordance with the request contained in your letter of January 11, 1962, the Board of Governors approves the appointment of Mr. Dean E. Mayfield as Federal Reserve Agent's Representative at the Little Rock Branch to succeed Mr. Howard J. Jensen.

This approval is given with the understanding that Mr. Mayfield will be solely responsible to the Federal Reserve Agent and the Board of Governors for the proper performance of his duties, except that, during the absence or disability of the Federal Reserve Agent or a vacancy in that office, his responsibility will be to the Assistant Federal Reserve Agent and the Board of Governors.

When not engaged in the performance of his duties as Federal Reserve Agent's Representative, Mr. Mayfield may, with the approval of the Federal Reserve Agent and the Vice President in charge of the Little Rock Branch, perform such work for the Branch as will not be inconsistent with the duties as Federal Reserve Agent's Representative.

It will be appreciated if Mr. Mayfield is fully informed of the importance of his responsibilities as a member of the staff of the Federal Reserve Agent and the need for maintenance of independence from the operations of the Bank in the discharge of these responsibilities.

It is noted from your letter that, with the approval by the Board of Governors of Mr. Mayfield's appointment, the usual Oath of Office forms will be executed to be effective February 1, 1962, and forwarded to the Board.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.



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

Item No. 11
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962



Board of Directors,
Depositors Trust Company,
Augusta, Maine.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch by Depositors Trust Company in the vicinity of the intersection of Madison Avenue and Beech Street, Skowhegan, Somerset County, Maine, 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. 12
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
Union Trust Company of Ellsworth,
Ellsworth, Maine.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Union Trust Company of Ellsworth, Ellsworth, Maine, of a branch in a shopping center at Outer High Street, Ellsworth, Maine, 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. 13
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
The Connecticut Bank and Trust Company,
Hartford, Connecticut.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Connecticut Bank and Trust Company, Hartford, Connecticut, of a branch at 1159-1159a and 1161-1163 New Britain Avenue, in the Elmwood section of West Hartford, Connecticut, 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. 14
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
The Chase Manhattan Bank,
New York, New York.

Gentlemen:

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 9313 Third Avenue, Borough of Brooklyn, Kings County, 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. 15
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
The Central Trust Company,
Cincinnati, Ohio.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch at 3300 Central Parkway, Cincinnati, Ohio, by The Central Trust Company, provided the branch is established within one year from the date of this letter, and provided further that branch operations now conducted at 3129 Spring Grove Avenue are discontinued simultaneously with the establishment of the above branch.

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. 16
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
Bank of Lansing,
Lansing, Michigan.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch by Bank of Lansing, Lansing, Michigan, near the northwest corner of South Logan Street and Holmes Road, Lansing, Michigan, 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. 17
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962



Board of Directors,
Union 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 1530-28th Street, S.E., Grand Rapids, Michigan, by Union Bank and Trust Company, 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. 18
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Board of Directors,
Farmers Bank and Trust Company,
Blytheville, Arkansas.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Farmers Bank and Trust Company, Blytheville, Arkansas, of a branch at 106 North Broadway Street, Blytheville, Arkansas, 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.



Item No. 19
1/24/62

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the Matter of the Application of
COLUMBUS JUNCTION STATE BANK,
COLUMBUS JUNCTION, IOWA,
for approval of acquisition of assets of
The Louisa County National Bank of
Columbus Junction, Iowa

ORDER APPROVING APPLICATION UNDER
SECTION 18(c) OF FEDERAL DEPOSIT INSURANCE ACT

There has come before the Board of Governors, pursuant to section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)), an application by Columbus Junction State Bank, Columbus Junction, Iowa, for the Board's prior approval of the acquisition by Columbus Junction State Bank of the assets of The Louisa County National Bank of Columbus Junction, Iowa, and the assumption of the liabilities of the latter Bank.

Pursuant to said section 18(c), notice of the proposed acquisition of assets and assumption of liabilities, in form approved by the Board of Governors, has been published and reports on the competitive factors involved in the proposed transaction have been furnished by the

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Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice and have been considered by the Board.

IT IS ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is granted, and the proposed acquisition of assets and assumption of liabilities be and hereby are approved, provided that said acquisition and assumption shall not be consummated (a) sooner than seven calendar days after the date of this Order or (b) later than three months after said date.

Dated at Washington, D. C., this 24th day of January, 1962.

By order of the Board of Governors.

Voting for this action: Unanimous, with all members present.

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

(SEAL)

Item No. 20
1/24/62BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEMAPPLICATION BY COLUMBUS JUNCTION STATE BANK
FOR APPROVAL OF THE ACQUISITION OF THE ASSETS OF
THE LOUISA COUNTY NATIONAL BANK OF COLUMBUS JUNCTION, IOWA

STATEMENT

Columbus Junction State Bank, Columbus Junction, Iowa ("State Bank"), with total deposits of \$3.5 million, has applied, pursuant to section 18(c) of the Federal Deposit Insurance Act, for the Board's approval of the acquisition by State Bank of the assets of The Louisa County National Bank of Columbus Junction, Iowa ("National Bank"), with total deposits of \$1.6 million, and its assumption of the deposit liabilities of National Bank. State Bank, which operates no branches, would maintain its present office and National Bank's only office would be closed.

Under the law, the Board is required to consider (1) the financial history and condition of each of the banks involved, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of the Federal Deposit Insurance Act, (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the

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transaction unless, after considering all these factors, it finds the transaction to be in the public interest.

For convenience, the first five of these factors may be considered together as "banking factors". The sixth and seventh factors are considered separately.

Banking factors. - The financial history and condition of State Bank are considered satisfactory. Its capital structure is strong; its management is competent; and its earnings have been and should continue to be favorable, especially with the use of the additional loanable funds that would be acquired from National Bank.

National Bank's condition shows a strong capital account, but a low earnings record due to its small volume of loans and relatively large investment in government securities. Prospects for improvement are limited by a very conservative and nonaggressive management policy which has failed to respond to competition from State Bank; and low earnings, resulting in inability to attract the personnel necessary to improve management, adds to National Bank's difficulties. Consummation of the proposal would provide a solution for these problems of management and lending policy, and thereby assure more serviceable banking facilities for the community. There is no evidence that the corporate powers of the banks are or would be inconsistent with the Federal Deposit Insurance Act.

Consideration of the banking factors, therefore, lends substantial support to this application.

Convenience and needs of the community to be served. - Columbus Junction is a town of about 1,000 population located in the agricultural region of southeastern Iowa. The immediate trade area includes an additional 3,500 persons. National Bank has done little to meet the borrowing needs of the area, as is indicated by its small volume of loans (only about 15 per cent of total assets) and its apparent failure actively to compete with State Bank. In fact, there is evidence that this small community may well be more soundly and adequately served by the resulting bank, alone, particularly as the major banking need seems to originate from the adjacent farm areas with access to other towns and other banks. Finally, it is indicated that the resulting bank's progressive management would utilize the additional loanable funds which it would acquire to expand its operations.

Competition. - Both banks to a large extent serve the same area; from 90 to 95 per cent of their deposits and loans originate in the same area and the banks have 150 common customers. The evidence indicates, however, that there is no strong competitive situation between the two banks. Both have for years charged the same rates on loans and services and have paid the same interest on time deposits. National Bank's small loan portfolio suggests that it has functioned largely as a depository for its customers' funds.

Well over half of each bank's loans either are made to farmers or are secured by farm real estate. This business, derived from outside the town of Columbus Junction, has access to 10 other banking institutions in six other towns located from 9 to 21 miles from Columbus

Junction. Among these are two much larger banks in Muscatine, Iowa, a larger community 21 miles from Columbus Junction. These facilities, easily reached from the farm areas from which the Columbus Junction banks draw their major business, appear to provide more vigorous competition to State Bank than does National Bank. The positive benefits to the community would more than offset such existing competition as would be eliminated by this proposed acquisition.

Summary and conclusion. - Although only one rather than two banks will exist in Columbus Junction after the acquisition, the small community as well as the larger surrounding farm area apparently will be adequately served by the remaining State Bank and the numerous banks in other nearby communities. Competition between the enlarged State Bank and two larger banks 21 miles distant may well be enhanced as a result of the acquisition.

Moreover, the proposed acquisition of National Bank by State Bank would solve National Bank's problem of obtaining competent management. The more aggressive State Bank would obtain additional loanable funds which National Bank has been unable or unwilling to utilize effectively, and therefore earnings prospects should be improved and the needs of the community better met.

For these reasons the Board finds that the proposed acquisition of assets and assumption of liabilities would be in the public interest.

January 24, 1962

Item No. 21
1/24/62

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the matter of the application of
THE CITIZENS CENTRAL BANK,
ARCADE, NEW YORK,
for approval of merger with
Bank of Delevan, Delevan, New York

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)), an application by The Citizens Central Bank, Arcade, New York, for the Board's prior approval of the merger of the Bank of Delevan, Delevan, New York, with and into The Citizens Central Bank under the charter and title of the latter.

Notice of proposed merger, in form approved by the Board of Governors, has been published, and the reports on the competitive factors involved in the proposed transaction have been furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice, pursuant to the provisions of section 18(c) prescribing ten calendar days as the period for such notice and the furnishing of such reports when an emergency exists

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requiring expeditious action. The reports so furnished to the Board have been considered by it.

IT IS ORDERED, for the reasons set forth in the Board's Statement of this date, that said merger be and hereby is approved, provided that said merger shall be consummated not later than three months after the date of this Order.

Dated at Washington, D. C., this 24th day of January, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Mills, Robertson, King, and Mitchell.

Absent and not voting: Governor Shepardson.

(Signed) Merritt Sherman

Merritt Sherman
Secretary

(SEAL)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Item No. 22
1/24/62

APPLICATION OF THE CITIZENS CENTRAL BANK
FOR APPROVAL TO MERGE WITH
BANK OF DELEVAN

STATEMENT

The Citizens Central Bank, Arcade, New York ("Arcade Bank"), with total deposits of \$12.7 million, has applied, pursuant to section 18(c) of the Federal Deposit Insurance Act, for the Board's approval of the merger of that bank and the Bank of Delevan, Delevan, New York ("Delevan Bank"), with total deposits of \$3.4 million. Under the Plan of Merger, the banks would merge under the charter and title of Arcade; and the single office of Delevan would become a branch of Arcade, the total banking offices of which would be thereby increased from 3 to 4.

The application was made to remedy a situation, requiring expeditious action, arising from a "check-kiting" incident that depleted Delevan Bank's capital structure of about \$300,000 by an amount estimated in excess of \$200,000. Therefore, as indicated in the Board's Order of approval of this date, action on the application has been expedited.

Under the law, the Board is required to consider (1) the financial history and condition of each of the banks involved, (2) the adequacy of its capital structure, (3) its future earnings prospects,

(4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of the Federal Deposit Insurance Act, (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transaction unless, after considering all these factors, it finds the transaction to be in the public interest.

For convenience, the first five of these factors may be considered together as "banking factors". The sixth and seventh factors are considered separately.

Banking Factors. - The financial history and condition of Arcade Bank are satisfactory, although its earnings are only fair because a large proportion of its deposits are time deposits. Arcade Bank's capital structure is adequate, and its management is considered to be competent. These attributes would appear to hold true generally for the continuing bank, which would operate under Arcade's management, and the capital of which would seem reasonably adequate in the circumstances. Delevan Bank has had a favorable growth in deposits and, until the recent adversity, its condition and earnings were regarded as fairly satisfactory. There is no evidence that the corporate powers of the banks are or would be inconsistent with the Federal Deposit Insurance Act.

Consideration of the banking factors and the special circumstances strongly support approval of the merger.

Convenience and needs of the communities to be served. -

Arcade (population: 1,930) is located about 45 miles southeast of Buffalo and six miles northeast of Delevan, in a growing area with a population of about 13,000, chiefly agricultural but with several small local industries. Applicant is the only financial institution in the town and handles almost all of the local banking business. Applicant's present two branches, one at Silver Springs (population: 700) and one at Rushford (population: 1,000), are, respectively, 25 miles northeast and 16 miles southeast of the town of Delevan and are the only banking offices in these essentially rural communities.

Delevan (population: 800) is in an agricultural trade area of some 3,000 persons. Delevan Bank is the only banking office in the community; and the bank's increase of 172 per cent in deposits and 207 per cent in loans during the past 10 years indicates a need for banking facilities in the area. While having little impact in the Arcade area, the proposed merger not only would assure continuance of banking facilities in Delevan but also would provide the Delevan area with an office of a substantially larger and more competently managed institution.

Competition. - Significant competition appears to exist between Arcade Bank and Delevan Bank. Applicant is by far the largest of the 7 banks with facilities located from 12 to 25 miles from either Arcade or Delevan. The proposed merger would enhance the competitive position of the applicant in the Arcade-Delevan area. However, it

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would not have a materially adverse competitive effect on other banks in the larger area, in view of the distances between their offices and those of the continuing bank.

Summary and conclusion. - The proposed merger will permit continuance of a banking office clearly essential to a small rural community. Any adverse effects of the merger on other competing banks would appear to be negligible.

For these reasons the Board finds that the proposed merger would be in the public interest.

January 24, 1962

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

Item No. 23
1/24/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 24, 1962

Mr. J. E. Denmark, Vice President,
Federal Reserve Bank of Atlanta,
Atlanta 3, Georgia.

Dear Mr. Denmark:

In accordance with the request contained
in your letter of January 11, 1962, the Board
approves the appointment of Robert Shealy
Willingham, Jr., as an assistant examiner for the
Federal Reserve Bank of Atlanta, effective
January 29, 1962.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

