

Minutes for May 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

MD

Gov. Mills

[Signature]

Gov. Robertson

R

Gov. Balderston

CCB

Gov. Shepardson

[Signature]

Gov. King

[Signature]

Gov. Mitchell

UM

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

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

Mr. Sherman, Secretary  
Mr. Kenyon, Assistant Secretary  
Mr. Molony, Assistant to the Board  
Mr. Fauver, Assistant to the Board  
Mr. Hackley, General Counsel  
Mr. Solomon, Director, Division of Examinations  
Mr. Johnson, Director, Division of Personnel Administration  
Mr. Chase, Assistant General Counsel  
Mr. Shay, Assistant General Counsel  
Mr. Conkling, Assistant Director, Division of Bank Operations  
Mr. Daniels, Assistant Director, Division of Bank Operations  
Mr. Kiley, Assistant Director, Division of Bank Operations  
Mr. Goodman, Assistant Director, Division of Examinations  
Mr. Leavitt, Assistant Director, Division of Examinations  
Mr. Langham, Chief, Call Report Section, Division of Bank Operations  
Mr. Veenstra, Technical Assistant, Division of Bank Operations

Circulated or distributed items. 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.

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	<u>Item No.</u>
Letter to Bank of America, New York, New York, granting consent for Banca d'America e d'Italia to establish an agency at the former location of its branch at Corso Italia 98, Catania.	1
Letter to Lincoln Rochester Trust Company, Rochester, New York, approving an extension of time to establish a branch at 875 South Avenue.	2
Telegram to the Federal Reserve Bank of Richmond regarding the fallout shelter project at the Bank's head office.	3
Letter to the Federal Deposit Insurance Corporation regarding the application of Richview State Bank, Richview, Illinois, for continuation of deposit insurance after withdrawal from membership in the Federal Reserve System.	4
Telegram to the Federal Reserve Bank of Boston interposing no objection to the rental of an NCR 310 electronic check processing system.	5
Letter to the Federal Reserve Bank of Atlanta regarding a contemplated amendment to the charter of Whitney Holding Corporation, New Orleans, Louisiana.	6
Letter to United California Bank, Los Angeles, California, approving the establishment of a temporary branch in the Howard-Canfield Building, Santa Barbara.	7
Letter to the Attorney for Deposit Guaranty Bank and Trust Company, Jackson, Mississippi, transmitting a copy of the report on competitive factors received by the Board from the Department of Justice with respect to the application of Deposit Guaranty Bank and Trust Company to merge with Bank of Hazlehurst, Hazlehurst, Mississippi.	8

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	<u>Item No.</u>
Letter to the Chairman of the Presidents' Conference requesting a study by the Conference concerning the applicability to Reserve Banks of State statutes requiring certain holders of abandoned or unclaimed intangible property to make reports and transfers thereof to the custody of the State.	9
Letter to Chairman Celler of the House Committee on the Judiciary with regard to questions raised by him concerning the possible elimination of several exceptions, included in Regulation L, permitting interlocking directorates in certain circumstances.	10
Letters to the Presidents of all Federal Reserve Banks and to the Federal Deposit Insurance Corporation regarding the collection of data on branch bank deposits.	11, 12
Letter to the Federal Reserve Bank of Chicago approving revised ranges for the officer salary groups at the Bank.	13
Letter to the Federal Reserve Bank of Dallas approving (1) the appointment of Thomas R. Sullivan as Vice President in charge of the Examination Department, and (2) payment of salaries to certain officers at rates fixed by the Board of Directors.	14

The letter to the Attorney for Deposit Guaranty Bank and Trust Company (Item No. 8) was approved subject to the understanding that before it was sent a check would be made to determine that the Department of Justice would have no objection to the transmittal of the requested report on competitive factors. (Secretary's Note: A subsequent check by Mr. Shay revealed that the Department would have no objection.)

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Report on competitive factors (Portland-Lewiston, Maine).

There had been distributed a draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed consolidation of Canal National Bank, Portland, Maine, and American Trust Co., Lewiston, Maine. The conclusion read as follows:

Investigation indicates there is little competition between Canal National Bank and American Trust Co. While the proposed consolidation would have little effect on competition in the Portland area, it might tend to stimulate competition in the Lewiston-Auburn area.

The report was approved unanimously for transmittal to the Comptroller.

Report on competitive factors (Chicago, Illinois). There had been distributed a draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed merger of Drovers Trust and Savings Bank, Chicago, Illinois, into The Drovers National Bank of Chicago, Chicago, Illinois. The conclusion read as follows:

The proposed transaction will have no adverse effect on competition.

The report was approved unanimously for transmittal to the Comptroller.

Oral presentations. In supplementation of a memorandum distributed under date of May 21, 1962, Mr. Shay commented briefly on arrangements for the oral presentations to be heard by the Board tomorrow with respect to the applications of (1) Asbury Park and Ocean Grove Bank, Asbury Park, New Jersey, to merge with The Central Jersey

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Bank and Trust Company, Freehold, New Jersey, and (2) United California Bank, Los Angeles, California, to merge with The First National Bank of Vista, Vista, California. Among other things, it was noted that in accordance with the usual procedure copies of the respective applications had been placed on file for public inspection, the customary deletions having been made. It was understood that stenographic transcripts of the proceedings would be prepared and placed in the Board's files.

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

Annex to Board building. Following the meeting, Governor Shepardson informed the Secretary that during the executive session he reported to the Board that he had had a conference with Mr. John Harbeson of Harbeson Hough Livingston and Larson, Philadelphia, Pennsylvania, regarding a review of plans for an annex to the Board's building in which he (Governor Shepardson) had authorized Mr. Harbeson to proceed with such a review on a cost-plus basis, the total cost not to exceed \$5,000 without prior report and further authorization.

Governor Shepardson also advised that the Board concurred in this action.

The meeting then adjourned.

Secretary's Notes: Pursuant to the recommendation contained in a memorandum from the Division of Research and Statistics, Governor Shepardson

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approved on behalf of the Board on May 23, 1962, an increase in the basic annual salary of Richard C. Pickering, Economist in that Division, from \$9,735 to \$10,635, effective May 27, 1962.

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

Letter to the Federal Reserve Bank of Richmond (attached Item No. 15) approving the appointment of Claude R. Taylor as assistant examiner.

Letter to the Federal Reserve Bank of Chicago (attached Item No. 16) approving the appointment of Laurence E. Corr, Franklin D. Dreyer, Byron J. Loving, and O. Jay Tomson as examiners.

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

Transfer

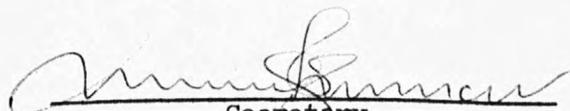
Jane Smith Wilson, from the position of Clerk in the Division of International Finance to the position of Payroll Clerk in the Office of the Controller, with an increase in basic annual salary from \$4,460 to \$4,675, effective upon assuming her new duties.

Acceptance of resignation

Maria Jo Peterson, Payroll Clerk, Office of the Controller, effective June 6, 1962.

Appointment of consultant

Professor Dudley J. Cowden, University of North Carolina, appointed Consultant (Division of Research and Statistics), effective until December 31, 1962, on a temporary contractual basis with compensation at the rate of \$50 per day for each day worked for the Board and with the understanding that transportation expenses and travel status per diem would be paid in accordance with the Board's travel regulations.

  
Secretary

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

Item No. 1  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962

Mr. Robert G. Mayer, Vice President,  
Bank of America,  
41 Broad Street,  
New York 15, New York.

Dear Mr. Mayer:

This will acknowledge your letter of April 25, 1962, transmitted through the Federal Reserve Bank of New York, advising that the Catania, Italy, Branch of Banca d'America e d'Italia had been relocated from Corso Italia 98 to new quarters at Corso Sicilia 51, Catania.

In accordance with your request and on the basis of the information furnished in your letter, the Board of Governors grants its consent for Banca d'America e d'Italia to establish an agency at the former location of the branch at Corso Italia 98, Catania.

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. 2  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962

Board of Directors,  
Lincoln Rochester Trust Company,  
Rochester, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System extends to December 8, 1962, the time within which Lincoln Rochester Trust Company, Rochester, New York, may establish a branch at 875 South Avenue, Rochester, New York, under the authority granted in the Board's letter dated December 8, 1961.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



Item No. 3  
5/24/62**TELEGRAM**  
LEASED WIRE SERVICEBOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON

May 24, 1962

Wayne - Richmond

Reurlet May 11, Board appreciates being informed of progress of fallout shelter project at head office and has no objection to acceptance of bid referred to in letter and expenditure of approximately \$77,000, including architects' and engineers' fees, on entire project.

(Signed) Merritt Sherman

Sherman

1937



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

Item No. 4  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 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 May 9, 1962,  
concerning the application of Richview State Bank,  
Richview, Illinois, 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.

TELEGRAM  
LEASED WIRE SERVICE

1938  
Item No. 5  
5/24/62

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON

May 24, 1962

Ellis - Boston

Board interposes no objection to rental of electronic  
check processing equipment as proposed in urlet May 15, 1962.

(Signed) Merritt Sherman

SHERMAN

1939

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

WASHINGTON 25, D. C.

Item No. 6  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962

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

Dear Mr. Denmark:

This is with reference to the letter of May 8, 1962 from Malcolm L. Monroe, Esq., of New Orleans, to the Board of Governors, a copy of which Mr. Monroe sent to you. Enclosed with the letter was a copy of Mr. Monroe's letter of the same date to you, with which was enclosed a copy of a contemplated amendment to the charter of Whitney Holding Corporation.

The Board and its staff have no comments to offer with respect to the proposed amendment. If you consider it advisable, you may wish to inform Mr. Monroe to this effect.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.



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

Item No. 7  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962

Board of Directors,  
United California Bank,  
Los Angeles, California.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a temporary branch as of May 21, 1962, in the Howard-Canfield Building, Santa Barbara, California, by United California Bank, Los Angeles, California. The Board's approval is for that period of time during which United California Bank's Santa Barbara office, directly across the street, is being remodeled or for a period of not more than six months from May 21, 1962.

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  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962



Mr. W. S. Henley,  
Henley, Jones & Henley,  
Deposit Guaranty Bank Building,  
Jackson 5, Mississippi.

Dear Mr. Henley:

Your letter of May 15, 1962, to Chairman Martin was in further reference to the Board's letter of April 26, 1962, which declined the request in your letter of April 19, 1962, for copies of the reports received by the Board under the so-called Bank Merger Act of 1960 (12 U.S.C. § 1828(c)), from the Department of Justice, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation on the competitive factors involved in two merger applications of your client, Deposit Guaranty Bank and Trust Company, Jackson, Mississippi. These applications, which were disapproved by the Board late in 1960, were for the Board's prior consent to the merger of Deposit Guaranty Bank and Trust Company with the Bank of Hazlehurst, Hazlehurst, Mississippi, and with the Rankin County Bank, Brandon, Mississippi.

In your letter of May 15 you have revised substantially the request contained in your letter of April 19. Thus, you now ask only for the report, submitted pursuant to the Board's request under the statute, by the Department of Justice on the competitive factors involved in connection with the application of Deposit Guaranty Bank and Trust Company to merge with the Bank of Hazlehurst. As you pointed out, that application was the subject of an oral presentation before the Board on November 16, 1960.

In addition, in your letter of April 19 you seemed interested generally in information that would be helpful in determining policy with respect to any possible future merger situations that might arise. In your letter of May 15, however, you have indicated that the report of the Department of Justice on the competitive factors involved with respect to the application covering the Bank of Hazlehurst would be useful in determining whether or not it would be advisable, at a future date, to make a new application for a merger of that bank with Deposit Guaranty Bank and Trust Company in the light of developments since 1960.

Mr. W. S. Henley

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Having considered the matter as presented by your letter of May 15, the Board herewith grants your request for the report on the competitive factors which it received from the Department of Justice with respect to the application of Deposit Guaranty Bank and Trust Company to merge with Bank of Hazlehurst. A copy of the report is enclosed.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

Enclosure

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

Item No. 9  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962

Mr. W. D. Fulton, Chairman,  
Conference of Presidents of  
the Federal Reserve Banks,  
c/o Federal Reserve Bank of Cleveland,  
Cleveland 1, Ohio.

Dear Mr. Fulton:

By its letter of April 2, 1962, the Board advised the Presidents of the Federal Reserve Banks of the question it had recently received from the Federal Reserve Bank of Dallas concerning the applicability to that Bank of a Texas statute enacted earlier this year requiring certain holders of abandoned or unclaimed intangible property to make reports and transfers thereof to the custody of the State. Briefly, the Board's letter asked for information concerning any similar statutes in the States in which other Federal Reserve Banks and their branches are located, and for related information and comments.

The Board's letter indicated the desirability of disposing of the matter by the beginning of this month. However, that was not possible due largely to the technical and complicated nature of the subject. The replies of the Federal Reserve Banks indicate also that there are differences of views concerning the matter. The replies clearly confirm the view of the Federal Reserve Bank of Dallas, and also the view of the Federal Reserve Bank of Chicago which subsequently presented the same question with respect to compliance with similar statutes in Illinois and Michigan, that the matter is one for System consideration, as mentioned in the Board's letter of April 2.

In the circumstances, the Board believes that the subject is of such a nature that the results of a study thereof by the Presidents' Conference would be especially beneficial. The Board, therefore, would appreciate it if you would arrange to have such a study undertaken.

Mr. W. D. Fulton

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For such assistance as it may be in connection with the study, there is enclosed a copy of a staff memorandum of May 18, 1962, to the Board which, among other things, summarizes the replies of the Federal Reserve Banks to the Board's letter of April 2.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

Enclosure

P.S. A copy of this letter and memorandum is being sent to each Reserve Bank President and the Secretary of the Conference of Presidents.

1945

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

Item No. 10  
5/24/62

OFFICE OF THE VICE CHAIRMAN

May 24, 1962



The Honorable Emanuel Celler,  
Chairman, Committee on the Judiciary,  
House of Representatives,  
Washington 25, D. C.

Dear Mr. Chairman:

Upon receiving your letter of March 9, 1962 regarding interlocking directorates under section 8 of the Clayton Act and the Board's Regulation L, the Board asked the Federal Reserve Banks for their views and comments, because the matters were within the special cognizance of the Reserve Banks. Their replies have now been received.

The questions raised in your letter related to three provisions in Regulation L containing exceptions made by the Board pursuant to the authority granted in the statute. The exceptions were all inserted in the Regulation when it was first revised following the enactment of the Banking Act of 1935, which completely rewrote section 8.

The first of these exceptions, which is contained in section 212.3(a) of Regulation L, provides:

"Any private banker or any director, officer, or employee of a member bank of the Federal Reserve System may be at the same time a director, officer, or employee of not more than one cooperative bank, credit union or other similar institution . . ."

The Federal Reserve Banks report that little, if any, use has been made of this exception, but a number of them point out that it would be discriminatory to eliminate it without making the statute applicable also to interlocking relationships with mutual savings banks, Federal and State savings and loan associations, and presently exempt credit unions, all of which also compete with member banks for savings. To achieve such uniformity would require legislation: mutual savings banks are excepted by paragraph 7 of section 8; Federal savings and loan associations and Federal credit unions are excepted by the opening paragraph of section 8 because they are not "organized under the National Bank Act or organized under the laws of any State or of

The Honorable Emanuel Celler -2-

the District of Columbia". Most State savings and loan associations and about half of State credit unions are not covered by the statute because they are not "banks" (because they do not accept deposits).

Section 212.3(b) provides that any director, officer, or employee of a member bank may also be an officer, director, or employee of one other bank if "active consideration is being given to the consolidation or merger" of the two banks or to the purchase of the assets and the assumption of the liabilities of one bank by the other, provided that no such relationship shall continue for more than six months. This provision, which, as noted, was inserted when section 8 was revised in 1935 subsequent to the Banking Holiday, was designed to facilitate the salvaging of banks which were in danger of closing.

The replies of the Federal Reserve Banks indicate that the provision has not been used for many years. However, a number of the Federal Reserve Banks believe that it should be retained since it might serve a useful purpose in an emergency.

In this connection two paragraphs from the reply of the Federal Reserve Bank of New York may be of interest to you.

"Congressman Celler refers to an increase in concentration in the banking field through mergers in recent years and apparently is under the impression that this sub-section encourages such mergers, commenting that there was 'such an interlocking situation in the recent merger application by the Chemical New York Trust to acquire the Long Island Trust Company'. At page 7(a) of the application, it is indicated that two officers of the latter would become officers of the resulting bank. At page 7 'continued'-11, under the heading Principal Business Affiliations of Principal Executive Officers of Chemical Bank New York Trust Company (intended to mean the resulting bank, rather than the participating bank of the same name), the same two persons are shown to be officers of Long Island Trust Company, which apparently gave Congressman Celler the impression that they were both serving each of the participating banks; there were no interlocking relationships between such banks when the application was submitted, however, and so far as we know, there are none now.

"To the best recollection of our staff, many years have elapsed since the sub-section was actually used in this District, hence it seems obvious that it has not

The Honorable Emanuel Celler -3-

affected the bank merger trend in any manner whatsoever. We should point out, however, that in two or three instances in the past two years, where a small up-state New York bank was in process of being acquired by a larger bank, an interlocking relationship was expedient or desirable and was permissible under exception numbered (5) of the Act. It is possible, therefore, that a similar emergency situation might arise in the case of two banks located in the same town or village, or in contiguous or adjacent towns or villages, so that we feel the sub-section should be retained."

Section 212.3(d) makes four exceptions applicable to private bankers. These exceptions were inserted by the Board in an attempt to correct the effects of a change made in the wording of the first part of the first sentence of section 8 just before the provision was enacted, which had the effect of making the provisions of section 8 applicable to a private banker to the same extent that they were applicable to an officer, director, or employee of a member bank. Of the four exceptions contained in this sub-section, the last three do nothing except place private bankers, as far as possible, on an equal footing with officers, directors, and employees of member banks by permitting private bankers to serve institutions not located in the same city, town, or village, institutions not engaged in the same classes of business, or institutions under common ownership. There appears to be no reason for eliminating these three exceptions, and it is assumed that your letter does not refer to them.

The first of these four exceptions, as you pointed out in your letter, was inserted in order to avoid what at the time appeared to be a Constitutional question, namely whether Congress could forbid an interlocking relationship between a private banker and a nonmember bank. Later Supreme Court decisions make it seem likely that the courts would uphold the power of Congress to enact such a prohibition and therefore the elimination of this exception might not leave the statute open to successful attack on Constitutional grounds. However, eliminating it would be discriminatory because that would prohibit a private banker from serving a nonmember bank, although a director, officer, or employee of a nonmember bank may serve any number of other nonmember banks. Moreover, the question appears to be academic since it seems that the exception is not being used.

The above information indicates, as to some of the provisions, that they are of no practical significance at the present time since they are not being used and, as to others, that eliminating them would be discriminatory. In the circumstances the Board believes

The Honorable Emanuel Celler      -4-

that it would not be necessary or advisable to eliminate these provisions at this time. The Board is glad to have had this opportunity of being of some assistance to you in your current study of section 8.

Sincerely yours,

(Signed) C. C. Balderston

C. Canby Balderston,  
Vice Chairman.

1949

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

Item No. 11  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

June 5, 1962

Dear Sir:

The Board and the Federal Deposit Insurance Corporation have decided to expand the collection of branch deposits data as of June 30, 1962. The expanded program will require reports of deposits by cities for branches outside the head office city of the parent bank rather than the county totals which have been collected biennially for many years. The survey conducted by the Reserve Banks in January 1962, in response to the Board's letter of December 18, 1961, indicated that city data were readily available from the records of most banks and the additional reporting burden imposed on the banks would be modest, provided that sufficient advance notice was given for an end-of-month report date. The Comptroller of the Currency has decided that his Office will not participate in this program; thus, it will be necessary for your Bank to collect these branch deposits data from all member banks. Similar reports are being collected from nonmember banks by the Federal Deposit Insurance Corporation.

Listings are being prepared here (sample form attached) which will be available for the Reserve Bank to transmit to member banks that operate branches outside the head office city. The listings will include the location of each branch, space for reporting the deposit items, and a column for the reporting bank to check whether branch locations shown in the listings are correct. These listings are expected to be forwarded to the Reserve Banks about June 15 but, unfortunately, they will be based on information available here as of the end of April, and some up-dating may be necessary at your Bank.

Upon receipt of these listings, they should be forwarded to the member banks affected in order that they may make arrangements to report the deposit data as of June 30, 1962; advance notice may be given to banks if you feel that this will be helpful. The deposit items are the same as collected as of June 15, 1960:



1. Demand deposits of individuals, partnerships, and corporations. (Corresponds to item 13 in current report of condition.)
2. Time deposits of individuals, partnerships, and corporations. (Corresponds to item 14 in current report of condition.)
3. Other deposits. (Corresponds to items 15, 16, 17, and 18 in current report of condition.)

Reasonable extensions of time may be granted the member banks to prepare these reports.

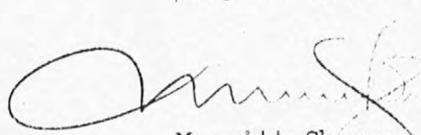
The information will be used to tabulate data to be published in the pamphlet, "Distribution of Bank Deposits by Counties and Standard Metropolitan Areas," which was last collected and published as of June 15, 1960. Reporting banks should again be informed that, although no further publication is anticipated, the information is being collected with the understanding that it will be considered public information with respect to applications for mergers or branches or under the Bank Holding Company Act.

The Bureau of the Budget has suggested that substantially the following statement be included in the letters to member banks:

The essential purpose of this inquiry is to obtain information on the deposits of branches outside the city of the head office, grouped by cities or other incorporated places. Because many banks will find it more convenient to supply individual branch data, all individual branches known to lie outside the city of your head office have been prelisted on the form. If it is not practicable to furnish individual branch data, group the branches by cities or other incorporated areas and indicate on the form which branches are combined. Branches in unincorporated places, however, should be shown separately using estimates as necessary.

If any branches listed as outside the head office city are actually located inside the head office city limits, please correct the listing and include deposits of that branch with the head office city total; conversely, if any branch located outside the head office city is not listed, please insert the name and location of the branch and show its deposits separately or combine with other branches according to city in which actually located.

Very truly yours,



Merritt Sherman,  
Secretary.

Enclosure

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS

1951

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

WASHINGTON 25, D. C.

Item No. 12  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962



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

Dear Mr. Cocke:

The Board is glad to know from your letter of May 21, 1962, that the Federal Deposit Insurance Corporation will undertake the collection of branch deposit data by city for insured nonmember banks, provided such data are collected from all other insured banks.

Although the Comptroller of the Currency has indicated that his office will not participate in this project, the Board of Governors will proceed to request the branch deposit data by city from all member banks as of June 30, 1962. The figures thus compiled by the Board, when combined with those for insured nonmember banks, will provide the comprehensive statistics sought for all insured banks.

The Board appreciates the willingness of the Corporation to cooperate in the collection of this information. Enclosed is a draft of a proposed letter to the Reserve Banks regarding collection of the data, and the Board has instructed its staff to confer with representatives of your organization regarding report forms (draft attached) and procedures. You will note from the proposed letter that reporting banks would be given advance notice of the request in order to minimize the reporting burden.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Merritt Sherman".

Merritt Sherman,  
Secretary.

Enclosures

1952

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

Item No. 13  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962

CONFIDENTIAL (FR)

Mr. Charles J. Scanlon, President,  
Federal Reserve Bank of Chicago,  
Chicago 90, Illinois.

Dear Mr. Scanlon:

The Board of Governors has approved, effective June 1, 1962, the following minimum and maximum salaries for the respective officer salary groups at the Federal Reserve Bank of Chicago:

<u>Group</u>	<u>Minimum</u>	<u>Maximum</u>
A	\$19,000	\$27,000
B	15,000	22,500
C	13,000	19,500
D	10,000	16,000

The salary ranges approved by the Board are those fixed by your Board of Directors as reported in your letter of May 11, 1962.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.



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

Item No. 14  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 24, 1962



CONFIDENTIAL (FR)

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

Dear Mr. Irons:

The Board of Governors approves the appointment of Mr. Thomas R. Sullivan as the officer in charge of the Examination Department at the Federal Reserve Bank of Dallas, with the title of Vice President, effective June 1, 1962, in accordance with the action taken by the Board of Directors, as reported in your letter of May 11, 1962.

The Board of Governors also approves the payment of salaries to the following officers of the Federal Reserve Bank of Dallas beginning the effective date shown through December 31, 1962, at the rates indicated.

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Effective May 10, 1962</u>		
Philip E. Coldwell	Vice President and Economic Adviser	\$20,000
<u>Effective June 1, 1962</u>		
Thomas R. Sullivan	Vice President	\$14,500
<u>Effective August 1, 1962</u>		
Ralph T. Green	Vice President	\$17,500

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.

1954

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

Item No. 15  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 28, 1962

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

Dear Mr. Nosker:

In accordance with the request contained  
in your letter of May 15, 1962, the Board approves  
the appointment of Claude R. Taylor as an assistant  
examiner for the Federal Reserve Bank of Richmond,  
effective today.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



1955

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

Item No. 16  
5/24/62

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD



May 28, 1962

CONFIDENTIAL (FR)

Mr. Leland Ross, Vice President,  
Federal Reserve Bank of Chicago,  
Chicago 90, Illinois.

Dear Mr. Ross:

In accordance with the requests contained in your letters of May 16, 1962, the Board approves the appointment of Laurence E. Corr, Franklin D. Dreyer, Byron J. Loving, and O. Jay Tomson, at present assistant examiners, as examiners for the Federal Reserve Bank of Chicago, effective July 2, 1962.

It is noted that Mr. Tomson is indebted to Farmers Savings Bank, Stratford, Iowa, a nonmember bank. Accordingly, the Board's approval of the appointment of Mr. Tomson 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) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.