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Minutes for September 19, 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

RM

Gov. Mills

RM

Gov. Robertson

CCB

Gov. Balderston

RM

Gov. Shepardson

RM

Gov. King

RM

Gov. Mitchell

Minutes of the Board of Governors of the Federal Reserve System on Wednesday, September 19, 1962. The Board met in the Board Room at 10:00 a.m.

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

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Young, Adviser to the Board and
Director, Division of International
Finance
Mr. Fauver, Assistant to the Board
Mr. Hackley, General Counsel
Mr. Hexter, Assistant General Counsel
Mr. Dembitz, Associate Adviser, Division
of Research and Statistics
Mr. Sammons, Adviser, Division of Inter-
national Finance
Mr. Conkling, Assistant Director, Divi-
sion of Bank Operations
Mr. Daniels, Assistant Director, Divi-
sion of Bank Operations
Mr. Kiley, Assistant Director, Division
of Bank Operations
Mr. Masters, Associate Director, Divi-
sion of Examinations
Mr. Goodman, Assistant Director, Divi-
sion of Examinations
Mr. Spencer, General Assistant,
Office of the Secretary
Mr. Young, Senior Attorney, Legal Division
Mr. Partee, Chief, Capital Markets Section,
Division of Research and Statistics
Mr. Irvine, Chief, Asia, Africa, and Latin
America Section, Division of Inter-
national Finance
Mr. McClintock, Supervisory Review Examiner,
Division of Examinations
Mr. Poundstone, Review Examiner, Division
of Examinations

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Discount rates. The establishment without change by the Federal Reserve Bank of Boston on September 17, 1962, of the rates on discounts and advances in its existing schedule was approved unanimously, with the understanding that appropriate advice would be sent to that Bank.

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:

Item No.

- | | |
|---|---|
| Letter to The Chase Manhattan Bank, New York, New York, granting permission for Chase Manhattan Overseas Banking Corporation, New York, New York, to increase its investment in The Chase Manhattan Bank (South Africa) Ltd., Johannesburg, Republic of South Africa, and noting without objection the proposal of The Chase Manhattan Bank to invest an additional sum in the capital of Chase Manhattan Overseas Banking Corporation. | 1 |
| Letter to Chase Manhattan Overseas Banking Corporation, New York, New York, approving an amendment to its Articles of Association. | 2 |
| Letter to The Reading Trust Company, Reading, Pennsylvania, approving the establishment of a branch at 2002 Penn Avenue, West Lawn. | 3 |
| Letter to Fidelity-Philadelphia Trust Company, Philadelphia, Pennsylvania, approving the establishment of a branch at 2401 Pennsylvania Avenue and an investment in bank premises. | 4 |
| Letter to Security Bank and Trust Company, Owatonna, Minnesota, approving the establishment of a branch across the street from the bank's main office and an investment in bank premises. | 5 |

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	<u>Item No.</u>
Letter to Farmers and Merchants Bank of Long Beach, Long Beach, California, approving an extension of time to establish a branch on Artesia Street between Obispo and Indiana Avenues.	6
Letter to First National Bank of Waukesha, Waukesha, Wisconsin, approving its supplemental application for fiduciary powers.	7
Letter to Peoples Trust City Bank, Reading, Pennsylvania, approving an investment in bank premises.	8
Letter to The Citizens Bank of Windsor, Windsor, Missouri, waiving the requirement of six months' notice of withdrawal from membership in the Federal Reserve System.	9
Letter to the Bureau of the Budget regarding revised form F. R. 508, to be used in the 1962 Survey of Common Trust Funds. (With the understanding that a similar letter on this subject also would be sent to the Presidents of all Federal Reserve Banks.)	10
Letter to Congressman Mack, Chairman of the House Subcommittee on Commerce and Finance, regarding regulation of stock market credit and the desirability of listing national bank stocks on securities exchanges.	11
Letter to the Bureau of the Budget expressing no objection to approval of enrolled bill H. R. 12899, "To amend section 5155 of the Revised Statutes relating to bank branches which may be retained upon conversion or consolidation or merger."	12
Letter to the Bureau of the Budget recommending approval of enrolled bill H. R. 12577, "To place authority over the trust powers of national banks in the Comptroller of the Currency."	13

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Letter to the Bureau of the Budget expressing
no objection to approval of enrolled bill
H. R. 7796, "To amend certain lending limita-
tions on real estate and construction loans appli-
cable to national banks."

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With respect to Item No. 11, discussion preceding the Board's action resulted in agreement on editorial changes in the draft of letter to Congressman Mack, including a revision in the sequence of certain paragraphs in order to strengthen the introductory portion of the letter.

Membership in Center for Latin American Monetary Studies.

There had been distributed a memorandum dated September 11, 1962, from the Division of International Finance discussing the question of Federal Reserve membership in the Center for Latin American Monetary Studies.

The memorandum pointed out that in a letter to Chairman Martin dated July 18, 1962, Mr. Javier Marquez, Director of the Center, proposed that the Federal Reserve System assume a share of financial responsibility for the increased activities that would result from the Center becoming a permanent Secretariat for the meetings of Central Bank Technicians of the American Continent. Since the System had participated in the meetings since their inception, Mr. Marquez suggested that the System might want to make a financial contribution for this specific purpose. The letter

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indicated that Mr. Marquez had in mind a financial contribution on the part of the System that would be equal to the quota which the System would pay if it were a member of the Center.

The memorandum stated that since the financial implications of the new proposal would be the same as if the System became a member of the Center, it seemed appropriate to reconsider the Board's previous decision not to become a member (see minutes of October 14, 1952, and February 21, 1957). In this connection, the development of the activities of the Center over the years and the general change in the climate of relationships between the United States and Latin America, signified principally by the Alliance for Progress program, seemed to justify such a reconsideration.

The memorandum went on to outline the history of the Center and describe its major activities, after which some considerations were discussed that could be advanced in favor of membership.

The question of membership having been placed on the agenda, there was a rather extended discussion of this matter during which various facets of the subject were explored, attention being focused on the advantages and disadvantages that could be seen in full ("associate") membership. It was pointed out that in the past there had been some feeling that the System might be embarrassed by possible publications of the Center and also that the assessments incident to membership might continually increase. However, the

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Center appeared to have operated soundly over the years, ameliorating to some extent the doubts that had been expressed when the question of membership was originally discussed.

Consideration then turned to the role that the System might be expected to assume in the Center if it were to become a member, and this discussion resulted in a consensus that although full membership might have certain advantages, the possibility of becoming a "collaborating" member should be explored. It was felt that there would appear to be some features making a collaborating membership more appropriate for the System than full membership.

Following additional discussion, it was understood that Mr. Young would explore with Mr. Marquez the feasibility of collaborating membership and that the results of such exploration would be reported to the Board.

Travel authorization for Mr. Katz. Governor Shepardson referred to a memorandum dated September 14, 1962, from Mr. Young which recommended that Mr. Katz, Associate Adviser, Division of International Finance, be authorized to travel to Switzerland for approximately ten days beginning about October 4, 1962, to attend a meeting of central bank officers at the Bank for International Settlements for discussion of the Eurodollar market, and to visit two European central banks.

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Without objection, Mr. Katz was authorized to make the trip.

The meeting then adjourned.

Secretary's Notes: On September 18, 1962, Governor Shepardson approved on behalf of the Board the following items:

Telegram to the Federal Reserve Bank of Dallas (attached Item No. 15) approving the appointment of James T. Allen as assistant examiner.

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

Appointments

Jane H. Farrell as Records Clerk in the Office of the Secretary, with basic annual salary at the rate of \$4,145, effective the date of entrance upon duty.

Susan Clark as Statistical Clerk in the Division of Bank Operations, with basic annual salary at the rate of \$4,250, effective the date of entrance upon duty.

Susan S. Burr as Consultant in the Division of Research and Statistics, on a temporary contractual basis, with compensation at the rate of \$50 per day for each day worked for the Board, effective to December 31, 1962, and with the understanding that any necessary transportation and per diem for time spent in travel status would be paid in accordance with the Board's travel regulations.

Leave without pay

Nancy Keen, Secretary, Division of Research and Statistics, for the period from September 2 through September 12, 1962.

Advance of sick leave

Ann M. Peters, Statistical Assistant, Division of Research and Statistics, for the period from September 4 (3 hours) through October 12, 1962.

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Acceptance of resignations

Milton Moss, Economist, Division of Research and Statistics, effective at the close of business September 29, 1962.

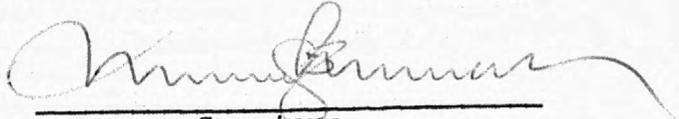
Joanne V. Cass, Secretary, Division of International Finance, effective at the close of business September 26, 1962.

Richard N. Thompson, Review Examiner, Division of Examinations, effective at the close of business September 21, 1962.

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

Telegram to the Federal Reserve Bank of Boston (attached Item No. 16) approving the designation of C. Richard Peterson as special assistant examiner.

Telegram to the Federal Reserve Bank of Minneapolis (attached Item No. 17) approving the appointment of Wendell M. Newgaard as assistant examiner.



Secretary

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

Item No. 1
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962

The Chase Manhattan Bank,
One Chase Manhattan Plaza,
New York 15, New York.

Gentlemen:

In accordance with the request and on the basis of the information furnished in your letter of August 1, 1962, as amended by your letter of August 6, 1962, transmitted through the Federal Reserve Bank of New York, the Board of Governors grants permission for Chase Manhattan Overseas Banking Corporation ("CMOBC"), New York, to increase its investment in The Chase Manhattan Bank (South Africa) Ltd., Johannesburg, Republic of South Africa ("South African Bank") to an amount not to exceed US\$3,545,000; provided that CMOBC shall not carry on its books the shares of the South African Bank at a net amount in excess of the book capital accounts of the South African Bank, after giving effect to the elimination of all known losses.

The Board has noted without objection that, pursuant to a resolution of the Board of Directors of The Chase Manhattan Bank, the Bank proposes to invest an additional sum not exceeding \$1,000,000 in the capital of CMOBC.

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
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962



Chase Manhattan Overseas Banking Corporation,
1 Chase Manhattan Plaza,
New York 15, New York.

Gentlemen:

The Board of Governors approves the amendment to Article SEVENTH of the Articles of Association of Chase Manhattan Overseas Banking Corporation to provide that the capital stock of the Corporation shall be \$4,750,000 divided into 4,750 shares of the par value of \$1,000 each, as outlined in your letter of August 2, 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. 3
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



September 19, 1962

Board of Directors,
The Reading Trust Company,
Reading, Pennsylvania.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Reading Trust Company, Reading, Pennsylvania, of a branch at 2002 Penn Avenue, West Lawn, Berks County, Pennsylvania, provided the branch is established within one year from the date of this letter.

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. 4
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962



Board of Directors,
Fidelity-Philadelphia Trust Company,
Philadelphia, Pennsylvania.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch by Fidelity-Philadelphia Trust Company, Philadelphia, Pennsylvania, in The Philadelphian (apartments), 2401 Pennsylvania Avenue, Philadelphia, provided the branch is established within one year from the date of this letter.

The Board of Governors also approves, under the provisions of Section 24A of the Federal Reserve Act, an additional investment of \$28,500 in bank premises for leasehold improvements incident to the establishment of the branch approved in 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. 5
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962



Board of Directors,
Security Bank and Trust Company,
Owatonna, Minnesota.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch by Security Bank and Trust Company, Owatonna, Minnesota, directly across the street from the bank's main office, provided the branch is established within one year from the date of this letter.

The Board of Governors also approves, under the provisions of Section 24A of the Federal Reserve Act, an investment of \$351,301.98 in bank premises. Of this amount, \$201,301.98 was spent for property on which the bank proposes to make improvements costing approximately \$150,000.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

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

Item No. 6
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962

Board of Directors,
Farmers and Merchants Bank of Long Beach,
Long Beach, California.

Gentlemen:

The Board of Governors of the Federal Reserve System extends to August 30, 1963, the time within which Farmers and Merchants Bank of Long Beach may establish a branch on the south side of Artesia Street between Obispo and Indiana Avenues, Long Beach, California.

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
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962



Board of Directors,
First National Bank of Waukesha,
Waukesha, Wisconsin.

Gentlemen:

The Board of Governors of the Federal Reserve System has given consideration to your supplemental application for a fiduciary power and grants you authority to act, when not in contravention of State or local law, 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 Wisconsin. The exercise of such right 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 power herein authorized, the bank was granted authority, on August 6, 1923, to act as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics.

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. 8
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962

Board of Directors,
Peoples Trust City Bank,
Reading, Pennsylvania.

Gentlemen:

The Board of Governors of the Federal Reserve System approves, under the provisions of Section 24A of the Federal Reserve Act, an additional investment of \$1,745,412 in bank premises by Peoples Trust City Bank, Reading, Pennsylvania, for the purpose of constructing new main office and branch buildings through a wholly owned real estate affiliate to be organized.

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
9/19/62



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 19, 1962

Board of Directors,
The Citizens Bank of Windsor,
Windsor, Missouri.

Gentlemen:

The Federal Reserve Bank of St. Louis has forwarded to the Board of Governors President Simmons' letter dated August 25, 1962, together with the accompanying resolution dated June 5, 1962, signifying your intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

The Board of Governors waives the requirement of six months' notice of withdrawal. Under the provisions of Section 208.10(c) of the Board's Regulation H, your institution may accomplish termination of its membership at any time within eight months from the date that notice of intention to withdraw from membership was given. Upon surrender to the Federal Reserve Bank of St. Louis of the Federal Reserve stock issued to your institution, such stock will be cancelled and appropriate refund will be made thereon.

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

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. 10
9/19/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



September 19, 1962

Mr. David E. Cohn,
Clearance Officer,
Office of Statistical Standards,
Bureau of the Budget,
Washington 25, D. C.

Dear Mr. Cohn:

This refers to the form F. R. 508, "Annual Survey of Common Trust Funds," Budget Bureau No. 55-R191.3, approval of which expires August 31, 1964. Enclosed are copies of your form 83 and of the present and proposed revised forms.

The proposed revisions are largely of a technical nature and for purposes of clarity and simplifying the reporting and tabulating. In the Investments section, separate categories have been provided for "Foreign" bonds and "Real Estate Loans", and the "Savings Accounts" category has been combined with "Other Investments". The preferred stocks section has been simplified by deleting the "financial" and "trade" subclasses. The item "Investments Not Classified Above" has also been deleted; by footnote, any such investments are to be included with "Other Investments".

In order to facilitate the tabulation of reporting institutions according to their size, the Supplementary Information section has been expanded to obtain gross earnings of the Trust Department and total assets of the reporting bank.

The list of securities used as examples in the "Instructions and Explanations" section has been updated to reflect Common Trust Fund security holdings frequently misclassified; "Principal Cash" instructions regarding securities sold and not delivered have been changed to conform with plans under which most common trust funds operate.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosures



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 11
9/19/62

OFFICE OF THE CHAIRMAN

September 24, 1962

The Honorable Peter F. Mack, Jr.,
Chairman, Subcommittee on Commerce and Finance,
Committee on Interstate and Foreign Commerce,
House of Representatives,
Washington 25, D. C.

Dear Mr. Chairman:

This is in reply to your letter of August 29, 1962, concerning the article on stock market credit published in the Wall Street Journal last August 3. The subject of securities credit has many facets, and a fact central to discussions such as that you have cited is a lack of statistical evidence as to the magnitude of credit reaching the market from the various sources mentioned. Data are collected on a regular basis only for loans from brokers and from banks for the purpose of purchasing or carrying securities.

From the standpoint of dollar volume, it seems probable that bank loans constitute by far the most important source of credit extended on securities without needing to comply with margin regulations. This is not to say that such loans are illegal, since Regulation U is limited to a narrow segment of all collateralized loans. Loans for purchasing and carrying unlisted stocks, as well as those for bonds, are excluded from the scope of the Regulation, as are all "nonpurpose" loans (loans for purposes other than purchasing or carrying securities), regardless of collateral.

Following the stock market break in May, there was a good deal of speculation in the press that margin calls on "nonpurpose" loans had played a significant role in the decline. It is important to recognize that two issues are involved here. One relates to the question of whether credit may have been extended illegally in violation of Regulation U to borrowers filing false "purpose statements." Last June, Mr. Nate White, Editor of the American Banker, solicited the Board's comment on such allegations, and I am enclosing a copy of the reply made at that time.

The Honorable Peter F. Mack, Jr.

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The other issue concerning "nonpurpose" loans relates to the role played by such credit in precipitating stock sales during the market decline. An informal survey of 78 large banks conducted by the Federal Reserve Banks indicated that the number of calls issued on nonregulated security loans in late May probably was substantial but that, in most instances, borrowers met these calls by providing additional margin. Statistical inadequacies make this survey unsuitable for publication or general distribution; a copy is enclosed, however, for the use of your subcommittee.

What these allegations and uncertainties point to is the need for reliable data on the magnitude and nature of bank credit extensions involving securities collateral. The Federal Reserve System, in cooperation with the SEC, has for some months been engaged in planning a bank loan survey to fill this gap. As a result, data will be collected from a sample of banks on the basis of loans outstanding on September 26 which will permit estimates of the magnitude of bank credit secured by stocks and bonds-- including loans for purposes other than purchasing and carrying securities, an area in which statistics have not been collected from banks and for which no benchmark data are available. It will also supply detail (in such form as to permit cross-classification) on the types of security serving as collateral for these loans, the purposes for which the loans have been made, and their terms and duration. I shall send you a copy of the survey findings as soon as they are available.

Regarding the role of unregulated nonbank lenders in financing stock market purchases, credit from these sources-- foreign or domestic--has been a matter of concern to the Board, but data that would indicate the amount of such credit are difficult to obtain. The regulating of such lenders would present substantial administrative difficulties, and the Board has not considered that such regulation should be undertaken unless credit from these sources appeared sufficiently important to make regulation clearly desirable in the public interest. In 1959, however, the Board did amend Regulation U to deny unregulated lenders access to bank credit on terms other than full compliance with the current terms of margin requirements. The Securities and Exchange Commission and the Board have been developing plans for collecting more detailed and frequent information on the principal known unregulated lenders.

The Honorable Peter F. Mack, Jr.

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You also invite views on the desirability of listing bank stocks on national securities exchanges. As you imply in your letter, this question involves considerations of the public interest that might arise in the case of bank stocks but not of other stocks. However, assuming that there are banks and stock exchanges that want to arrange for such listings--in addition to the present listings of stocks on bank holding companies--I do not feel that there are such adverse aspects as to call for prohibition of the practice.

The adverse aspects, of course, relate to the possibility that stock exchange trading and the related publicity might under some circumstances have unfavorable effects on the public's attitude toward the bank, possibly resulting in withdrawals of deposits. This might result from an extreme decline in the price of the bank's stock, or even from large speculative activity in the stock which could possibly be interpreted as suggesting unsafe or unsound practices on the part of the bank's management. Federal deposit insurance has, however, reduced the possibility of massive withdrawals under such circumstances.

On the other hand, to the extent that listing on a stock exchange improves the marketability of a bank stock, this would tend to increase the ability of the bank to sell additional stock. By increasing the adequacy of bank capital, such developments could be beneficial to customers of the particular bank, and the public interest in general might also benefit from strengthening of the capital position of the banking system.

A final point to be made on this matter is that over-the-counter quotations for leading bank stocks are already widely disseminated in the financial press. For these banks, listing on stock exchanges might not significantly increase the extent to which sharp declines in prices, if they were to occur, would become known to the public.

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Enclosures 2



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 12
9/19/62

OFFICE OF THE CHAIRMAN

September 19, 1962

Mr. Phillip S. Hughes, Assistant Director
for Legislative Reference,
Executive Office of the President,
Bureau of the Budget,
Washington 25, D. C.

Attention Mrs. Garziglia.

Dear Mr. Hughes:

This is to advise, in response to your communication of September 18, 1962, that the Board has no objection to approval of the enrolled bill, H.R. 12899, "To amend section 5155 of the Revised Statutes relating to bank branches which may be retained upon conversion or consolidation or merger."

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Item No. 13
9/19/62

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

September 19, 1962

Mr. Phillip S. Hughes, Assistant Director
for Legislative Reference,
Executive Office of the President,
Bureau of the Budget,
Washington 25, D. C.

Attention Mrs. Garziglia.

Dear Mr. Hughes:

This is to advise, in response to your communication of September 18, 1962, that the Board recommends approval of the enrolled bill, H.R. 12577, "To place authority over the trust powers of national banks in the Comptroller of the Currency."

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.

Item No. 14
9/19/62

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

September 19, 1962

Mr. Phillip S. Hughes, Assistant Director
for Legislative Reference,
Executive Office of the President,
Bureau of the Budget,
Washington 25, D. C.

Attention Mrs. Garziglia.

Dear Mr. Hughes:

This is to advise, in response to your communication of September 18, 1962, that the Board has no objection to approval of the enrolled bill, H.R. 7796, "To amend certain lending limitations on real estate and construction loans applicable to national banks."

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.



Item No. 15
9/19/62

T E L E G R A M

LEASED WIRE SERVICE

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

September 18, 1962

SULLIVAN - DALLAS

Reurlet September 12, 1962, Board approves appointment of
James T. Allen as assistant examiner for Federal Reserve
Bank of Dallas, effective today.

(Signed) Elizabeth L. Carmichael

CARMICHAEL

TELEGRAM
LEASED WIRE SERVICEItem No. 16
9/19/62BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

September 19, 1962

LATHAM - BOSTON

Reurtel September 18, 1962, Board approves designation of
C. Richard Peterson as special assistant examiner for
Federal Reserve Bank of Boston for purpose of participating
in examinations of the five banks named in your wire.

(Signed) Elizabeth L. Carmichael

CARMICHAEL

T E L E G R A M
LEASED WIRE SERVICEItem No. 17
9/19/62BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

September 19, 1962

DEMING - MINNEAPOLIS

Reurlet September 13, 1962, Board approves appointment of Wendell M. Newgaard as assistant examiner for Federal Reserve Bank of Minneapolis. Please advise effective date of appointment.

(Signed) Elizabeth L. Carmichael

CARMICHAEL