

Minutes for February 8, 1963

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

W

Gov. Mills

Gov. Robertson

R

Gov. Balderston

CCB

Gov. Shepardson

CSH

Gov. King

King

Gov. Mitchell

M

Minutes of the Board of Governors of the Federal Reserve System on Friday, February 8, 1963. 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. Mitchell

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Cardon, Legislative Counsel
Mr. Fauver, Assistant to the Board
Mr. Noyes, Director, Division of Research and Statistics
Mr. Koch, Associate Director, Division of Research and Statistics
Mr. Brill, Adviser, Division of Research and Statistics
Mr. Holland, Adviser, Division of Research and Statistics
Mr. Hersey, Adviser, Division of International Finance
Mr. Sammons, Adviser, Division of International Finance
Mr. Katz, Associate Adviser, Division of International Finance
Mr. Mattras, General Assistant, Office of the Secretary
Mr. Eckert, Chief, Banking Section, Division of Research and Statistics
Mr. Yager, Chief, Government Finance Section, Division of Research and Statistics
Mr. Keir, Senior Economist, Division of Research and Statistics
Mr. Reynolds, Chief, Special Studies and Operations Section, Division of International Finance
Mr. Goldstein, Economist, Division of International Finance

Money market review. There were distributed the following tables: dealer holdings of "rights" and "when issued" securities in recent Treasury refundings involving pre-emptive rights; yields on

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Government securities as of February 6, 1963; and summary of monetary developments during the five-week period ended February 6, 1963.

Mr. Keir discussed recent developments in the Government securities market, including the current Treasury refunding, after which Mr. Eckert reported on bank reserves, the money supply, and related matters. Mr. Goldstein then discussed recent foreign exchange market developments. It was understood that the staff would prepare for the Board's information material relating to several matters discussed during the money market review.

All members of the staff except Messrs. Sherman, Kenyon, Fauver, and Mattras then withdrew and the following entered the room:

Mr. Farrell, Director, Division of Bank Operations
Mr. Solomon, Director, Division of Examinations
Mr. Johnson, Director, Division of Personnel
Administration
Mr. Hexter, Assistant General Counsel
Mr. Shay, Assistant General Counsel
Mr. Leavitt, Assistant Director, Division of
Examinations
Mr. Thompson, Assistant Director, Division of
Examinations
Mr. Potter, Senior Attorney, Legal Division
Mr. Young, Senior Attorney, Legal Division
Mr. Hill, Attorney, Legal Division

Discount rates. The establishment without change by the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Atlanta, St. Louis, Kansas City, Dallas, and San Francisco on February 7, 1963, of the rates on discounts and advances in their existing schedules was approved unanimously, with the understanding that appropriate advice would be sent to those Banks.

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Items circulated or distributed to the Board. The following items, copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

	<u>Item No.</u>
Letter to The Provident Bank, Cincinnati, Ohio, approving an investment in bank premises.	1
Telegram to the Federal Reserve Agent at Richmond authorizing the issuance to Virginia Commonwealth Corporation, Richmond, Virginia, of a limited voting permit covering its stock of The Bank of Virginia, Richmond, Virginia.	2
Letters to The Louisville Trust Company, Louisville, Kentucky, approving the establishment of branches at (1) 4020 Taylorsville Road, and (2) 3501 Taylor Boulevard.	3-4
Letter to the Federal Reserve Bank of Atlanta regarding the minimum and maximum rates for the respective officer salary groups.	5
Letter to the Bureau of the Budget replying to its request for comment on proposed legislation "To authorize the construction and equipping of buildings required in connection with the operations of the Bureau of the Mint."	6

Report on competitive factors (Plymouth-Brockton, Massachusetts).

There had been distributed a draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed merger of The Home National Bank of Brockton, Brockton, Massachusetts, into The Plymouth National Bank, Plymouth, Massachusetts.

After discussion, during which a change in the conclusion was suggested, the report was approved unanimously for transmission to the Comptroller of the Currency in a form in which the conclusion read as follows:

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The proposed merger would combine the largest bank in Plymouth County with the fourth largest. The resulting bank would have about 37 per cent of commercial bank deposits and 38 per cent of commercial banking offices in the county. In addition there is evidence of some competition between applicants which would be eliminated by the merger. The merger would increase the resulting bank's branch coverage of the county, and its capital and resources, which might intensify competition for larger banks headquartered in nearby cities that solicit business in the county, but at the same time would eliminate effective alternative banking facilities to the competitive detriment of commercial banking in the area.

Application of Peoples Bank of Glen Rock (Items 7 and 8).

Pursuant to the decision reached at the meeting on February 6, 1963, there had been distributed a proposed order and statement reflecting the Board's approval of the application of Peoples Bank of Glen Rock, Glen Rock, Pennsylvania, to merge with Codorus National Bank in Jefferson, Codorus (Jefferson Borough), Pennsylvania.

After discussion, the issuance of the order and statement was authorized subject to one change being made in the summary and conclusion of the statement. Copies of the order and statement, as issued, are attached to these minutes as Items 7 and 8.

Application of First State Bank, Canisteo (Items 9 and 10).

Pursuant to the decision reached at the meeting on January 31, 1963, there had been distributed a proposed order and statement reflecting the Board's approval of the application of First State Bank, Canisteo, New York, for consent to acquire the assets and assume the deposit liabilities of the Greenwood Branch of Security Trust Company of Rochester, Rochester, New York.

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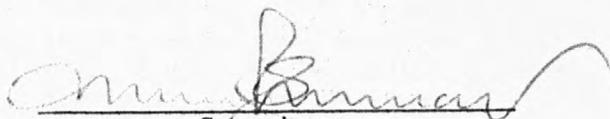
An alternative wording of the summary and conclusion of the proposed statement was suggested, and the Board agreed to a revision along such lines. The issuance of the order and statement was then authorized subject to this change being made. Copies of the order and statement, as issued, are attached to these minutes as Items 9 and 10.

The meeting then adjourned.

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

Memorandum from the Division of Administrative Services recommending the appointment of Walter Frumin as Guard in that Division, with basic annual salary at the rate of \$3,560, effective the date of entrance upon duty.

Memorandum from Barbara A. Kraft, Clerk-Stenographer, Division of Personnel Administration, requesting permission to engage in an outside activity (typing) at her home after working hours.


Secretary

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

Item No. 1
2/8/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



February 8, 1963

Board of Directors,
The Provident Bank,
Cincinnati, Ohio.

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 \$1,928,682.10 in bank premises by The Provident Bank for remodeling of Bank's main office building. The amount approved represents the difference between the bank's investment in bank premises as of December 31, 1962, and the maximum amount to be expended for remodeling.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

TELEGRAM
LEASED WIRE SERVICE

Item No. 2
2/8/63

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

February 8, 1963

HYDE -- RICHMOND

KECEA

- A. Virginia Commonwealth Corporation, Richmond, Virginia.
- B. The Bank of Virginia, Richmond, Virginia.
- C. None.
- D. At anytime prior to May 1, 1963, at a special meeting of shareholders of such bank, or any adjournments thereof, to act upon a proposed merger of The Farmers Bank of Dinwiddie, Dinwiddie, Virginia, with The Bank of Virginia, Richmond, Virginia, in accordance with the plan of merger adopted by the Boards of Directors of both banks. STOP. Please advise Applicant that permission to vote on the proposed merger in no way constitutes any expression of opinion on the merits of such merger or any indication of the Board's views with respect thereto.

(Signed) Elizabeth L. Carmichael

CARMICHAEL

Definition of KECEA:

The Board authorizes the issuance of a limited voting permit, under the provisions of section 5144 of the Revised Statutes of the United States, to the holding company affiliate named below after the letter "A", entitling such organization to vote the stock which it owns or controls of the bank(s) named below after the letter "B", subject to the condition(s) stated below after the letter "C". The permit authorized hereunder is limited to the period of time and the purposes stated after the letter "D". Please proceed in accordance with the instructions contained in the Board's letter of March 10, 1947, (8-964).



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

Item No. 3⁵¹⁴
2/8/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

February 8, 1963.

Board of Directors,
The Louisville Trust Company,
Louisville 1, Kentucky.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Louisville Trust Company, Louisville, Kentucky, of a branch at 4020 Taylorsville Road, 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.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

Item No. 4
2/8/63

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

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

February 8, 1963.



Board of Directors,
The Louisville Trust Company,
Louisville 1, Kentucky.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Louisville Trust Company, Louisville, Kentucky, of a branch at 3501 Taylor Boulevard, 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.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

Item No. 5
2/8/63

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON 25, D. C.

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

February 8, 1963.

CONFIDENTIAL (FR)

Mr. Malcolm Bryan, President,
Federal Reserve Bank of Atlanta,
Atlanta 3, Georgia.

Dear Mr. Bryan:

The Board of Governors has approved, effective January 1, 1963, the following minimum and maximum ranges for the respective officer salary groups at the Federal Reserve Bank of Atlanta as requested in your letter of November 9, 1962:

<u>Group</u>	<u>Minimum</u>	<u>Maximum</u>
A	none	\$27,500
B	none	22,500
C	none	19,000
D	\$10,000	16,000

The Board has noted that the absence of minimums for three of the four salary groups is a deviation from the Plan of Salary Administration for the Federal Reserve Bank Officers, which provides for "fixing of minimum and maximum salary for each group." Therefore, it will be appreciated if your directors would consider fixing minimums for these groups as soon as reasonably feasible.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

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

Item No. 6
2/8/63



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

February 8, 1963

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

Dear Mr. Hughes:

This is in response to your request of February 7, 1963, for the Board's comments on a bill proposed by the Secretary of the Treasury, "To authorize the construction and equipping of buildings required in connection with the operations of the Bureau of the Mint".

For some time the Federal Reserve Banks have experienced difficulty in meeting the heavy demand of the business community for coins. It seems apparent that this demand will increase and that the resulting shortage of coins can be overcome only by some increase in productive capacity. The Board therefore strongly urges favorable consideration of the proposed legislation.

Very truly yours,
(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

UNITED STATES OF AMERICA

Item No. 7
2/8/63

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D. C.

In the Matter of the Application of
PEOPLES BANK OF GLEN ROCK
for approval of merger with
Codorus National Bank in Jefferson

ORDER APPROVING MERGER OF BANKS

There has come before the board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by Peoples Bank of Glen Rock, Glen Rock, Pennsylvania, for the Board's prior approval of the merger of that bank and Codorus National Bank in Jefferson, Codorus (Jefferson Borough), Pennsylvania, under the charter and title of the former. As an incident to the merger, the sole office of the latter bank would be operated as a branch of the former bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice on the competitive factors involved in the proposed merger,

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

Dated at Washington, D. C., this 8th day of February, 1963.

By order of the Board of Governors.

Voting for this action: Governors Balderston, Mills, Robertson, and Shepardson.

Absent and not voting: Chairman Martin, and Governors King and Mitchell.

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

(SEAL)

Item No. 8
2/8/63BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEMAPPLICATION BY PEOPLES BANK OF GLEN ROCK
FOR APPROVAL OF MERGER WITH
CODORUS NATIONAL BANK IN JEFFERSONSTATEMENT

Peoples Bank of Glen Rock, Glen Rock, Pennsylvania ("Peoples Bank"), with deposits of \$5.4 million, as of June 30, 1962, has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank and Codorus National Bank in Jefferson, Codorus (Jefferson Borough), Pennsylvania ("Codorus National"), with deposits of \$1.5 million, as of the date previously mentioned. The banks would merge under the charter and title of Peoples Bank, a State member bank of the Federal Reserve System. As an incident to the merger, the sole office of Codorus National would become a branch of Peoples Bank, increasing the number of its offices from two to three.

Under the law, the Board is required to consider, as to each of the banks involved, (1) its financial history and condition, (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 12 U.S.C., Ch. 16 (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.

Banking factors. - Peoples Bank and Codorus National have satisfactory financial histories and conditions, and the capital structure of each is reasonably adequate. The earnings of Peoples Bank compare favorably with those of banks of similar size in the Third Federal Reserve District, and the bank's management is competent. Consummation of the proposal would provide a basis for needed improvement in earnings and would solve a management succession problem at Codorus National. Present management of Codorus National is satisfactory, but the circumstances indicate probable difficulty in attracting satisfactory personnel to the small bank to replace two senior officers who are past the usual retirement age. The resulting bank, which would be under the management of Peoples Bank, would have a satisfactory financial condition, a reasonably adequate capital structure, and favorable earnings prospects. There is no indication of any inconsistency with the provisions of 12 U.S.C., Ch. 16.

Convenience and needs of the communities. - The main office of Peoples Bank is in Glen Rock, Pennsylvania (1960 population 1,500 and trade area population 8,600), fifteen miles south of York. The single branch office of Peoples Bank is eight miles to the north of Glen Rock in Jacobus (1960 population 1,000 and trade area population 8,400). Codorus National is the only bank in Codorus (population about 500). Codorus is

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in Jefferson Borough about 10 miles west of Glen Rock. The population of the borough is about 500 and that of the trade area 6,500. Glen Rock, Jacobus, and Codorus are located in the south-central section of York County, for which the economic outlook is favorable.

This merger would affect principally the service area of Codorus National. This bank has endeavored to meet the increasing needs of the people within its area for larger and varied types of loans but has been handicapped principally by its low lending capacity. Consummation of this proposal would increase materially the bank lending limit at Codorus and would make available in that area broader banking services, such as business and consumer installment loans and special purpose savings accounts.

Competition. - The service area of Peoples Bank lies principally within a radius of five miles of Glen Rock, while that of Codorus National is slightly smaller. Although the service areas of the two banks overlap somewhat, this occurs in the hilly, sparsely populated region between Glen Rock and Codorus. No direct road connects Peoples Bank and Codorus National, and there is little competition between them.

Besides Peoples Bank and Codorus National, there are twelve banks operating offices in central and southern York County. Four of the twelve banks have one or two offices within five miles of one or the other of the banks involved in the proposed transaction, and all but one of the twelve have one or more offices within five to fourteen miles of Peoples Bank or Codorus National. Of the entire fourteen banks in

this area, Peoples Bank and Codorus National are the smallest based on deposits of individuals, partnerships, and corporations. There is no evidence that the effect of the proposed merger would be adverse to banking competition in central and southern York County.

Summary and conclusion. - Although this merger would eliminate the small amount of competition between the two banks, this would be offset by the resulting benefits. The transaction would solve the management succession problem, strengthen earnings prospects, increase the lending limit, and provide broader banking services at the only banking office in Codorus. There would be no significant competitive effect with respect to the other banks in central and southern York County.

Accordingly, the Board finds the proposed transaction to be in the public interest.

February 8, 1963.

Item No. 9
2/8/63

UNITED STATES OF AMERICA

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D. C.

In the Matter of the Application of
FIRST STATE BANK
for approval of acquisition of assets of
Greenwood Branch of Security Trust
Company of Rochester

ORDER APPROVING ACQUISITION OF BANK'S ASSETS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by First State Bank, Canisteo, New York, a member bank of the Federal Reserve System, for the Board's prior approval of its acquisition of the assets of and assumption of deposit liabilities in the Greenwood Branch of Security Trust Company of Rochester, Rochester, New York, and, as an incident thereto, First State Bank has applied, under section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment of a branch by that bank at the present location of Greenwood Branch (Greenwood, New York) of Security Trust Company of Rochester. Notice of the proposed acquisition of assets and assumption of deposit liabilities, in form approved by the Board of Governors, has been published pursuant to said Bank Merger Act.

Upon consideration of all relevant material, including the reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice on the competitive factors involved in the proposed transaction,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said applications be and hereby are approved, provided that said acquisition of assets and assumption of deposit liabilities and establishment of a branch shall not be consummated (a) within seven calendar days following the date of this Order, or (b) later than three months after said date.

Dated at Washington, D. C., this 8th day of February, 1963.

By order of the Board of Governors.

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

Absent and not voting: Governor King.

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

(SEAL)

Item No. 10
2/8/63BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEMAPPLICATION OF FIRST STATE BANK
FOR APPROVAL OF ACQUISITION OF ASSETS OF THE
GREENWOOD BRANCH OF SECURITY TRUST COMPANY
OF ROCHESTERSTATEMENT

First State Bank, Canisteo, New York ("First"), with deposits of \$4.6 million,* has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), for the Board's prior approval of its acquisition of the assets of and assumption of deposit liabilities in the Greenwood Branch of Security Trust Company of Rochester, Rochester, New York ("Security Trust"), with deposits (Greenwood Branch) of about \$900 thousand. Incident to such application, First has also applied, under section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment of a branch at the present location of the Greenwood branch of Security Trust. That office would be First's only branch.

Under the law, the Board is required to consider, as to each of the banks involved, (1) its financial history and condition, (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 12 U.S.C., Ch. 16 (the Federal

* Deposit figures herein are as of September 28, 1962.

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. In this case, the situation of the Greenwood branch will be considered apart from that of Security Trust as a whole, so far as may be appropriate.

Banking factors. - The Greenwood branch was The First National Bank of Greenwood prior to 1956 when it was merged with Security Trust (deposits about \$195 million) largely at the instigation of the New York State Banking Department. The deposits of the branch have grown slightly since the merger, but its distance from Security Trust's principal area of operations (about 85 miles) has been an obstacle to economic operation of the branch since the demand for banking service in Greenwood (population about 840) appears to be sufficient to support only a limited operation that can work relatively closely with the main office. First, on the other hand, while much smaller than Security Trust, is located only 12 miles from Greenwood, which should enable First to improve the profitability of the office by improving the direct availability of service adequate to Greenwood's needs as well as by improving the efficiency with which such service is provided.

Thus, as to all the banking factors, the absorption of the Greenwood branch by First should be beneficial to the operation of that office, and it does not appear that it would be detrimental to First's

own capital structure, financial condition or prospects which, like its management, are satisfactory.

Convenience and needs of the communities. - While the banking needs of Greenwood and environs may be limited, there is sufficient banking business, present and potential, to justify the step here proposed for continuing service to the area and to give promise that such service will be economically feasible. The similarity of the banking needs of the Greenwood area to those of the area now served by First reinforces the prospect of improved service to Greenwood. Moreover, it appears that First can expand its operations as proposed without detriment to the service of its present market.

Competition. - The Greenwood office has not been a vigorous competitor for banking business in the area. The office seems to have relied more on physical convenience for the retention and attraction of business rather than on active competition in service or business development. Thus, although the absorption of that office by First would represent to some extent a reduction in alternative sources of service for the local Greenwood area, that area would not be losing an independent competitive force of the kind that tends actively to improve the nature of banking service offered to the public. Moreover, the absorption would not nullify any strong potential for competition in the future since discontinuation of the office is in prospect if it is not taken over by another bank in a position to operate it.

Summary and conclusion. -- The proposed transaction would forestall the possible loss to the Greenwood area of locally available banking service. It would also be likely to lead to improvement in such service. Therefore, considerations as to the convenience and needs of that area outweigh such slight adverse effects on banking competition as might result.

Accordingly, the Board finds the proposed transaction to be in the public interest.

February 8, 1963.