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Minutes for March 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

Gov. Mills

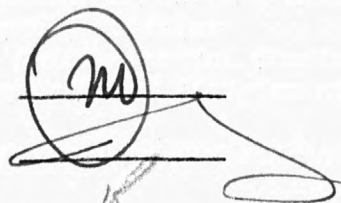
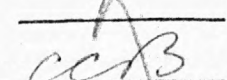
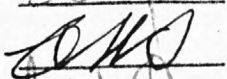
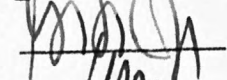
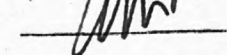
Gov. Robertson

Gov. Balderston

Gov. Shepardson

Gov. King

Gov. Mitchell

Minutes of the Board of Governors of the Federal Reserve System on Friday, March 8, 1963. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Balderston, Vice Chairman
Mr. Robertson
Mr. Shepardson
Mr. Mitchell 1/

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. Noyes, Director, Division of Research
and Statistics
Mr. Brill, Adviser, Division of Research and
Statistics
Mr. Holland, Adviser, Division of Research
and Statistics
Mr. Solomon, Associate Adviser, Division of
Research and Statistics
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
Miss Dingle, Senior Economist, Division of
Research and Statistics
Mr. Reynolds, Chief, Special Studies and
Operations Section, Division of International
Finance
Mr. Gemmill, Economist, Division of International
Finance

Money market review. There were distributed tables relating to Treasury advance refundings during the period June 1960 to March 1963;

1/ Entered meeting at point indicated in minutes.

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preliminary results of the March 1963 advance refunding; changes in maturity structure of the publicly-held marketable debt as a result of the March 1963 advance refunding; and monetary developments during the five-week period ending March 6, 1963.

Mr. Yager reported on recent developments in the Government securities market, with emphasis on the Treasury advance refunding. Mr. Holland then discussed bank reserves, the money supply, and related matters, after which Mr. Gemmill reported on foreign exchange market developments.

Governor Mitchell joined the meeting at this point. All members of the staff withdrew except Messrs. Sherman, Kenyon, Fauver, and Mattras and the following entered the room: Mr. Hackley, General Counsel; Mr. Solomon, Director, Division of Examinations; and Mr. O'Connell, Assistant General Counsel.

Discount rates. The establishment without change by the Federal Reserve Banks of New York, Philadelphia, Atlanta, and San Francisco on March 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.

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:

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Item No.

Letter to Riceville State Bank, Riceville, Iowa, interposing no objection to its acting in specific fiduciary capacities.

1

Order granting an extension of time for Marine National Bank of Waukesha, Waukesha, Wisconsin, to open for business as a subsidiary of The Marine Corporation, Milwaukee, Wisconsin.

2

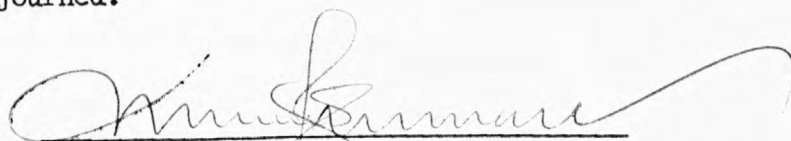
Letter to the Federal Reserve Agent at Chicago granting an extension of time within which to issue a general permit to The Marine Corporation to vote its stock of Marine National Bank of Waukesha.

3

Reward offer by Federal Reserve Bank of Boston. Mr. Sherman informed the Board that the Federal Reserve Bank of Boston was considering an extension of the reward offer it initially made in September 1962 in connection with the holdup of a United States mail truck in Plymouth, Massachusetts. He recalled that the Board had noted the reward offer without objection when it was originally under consideration in September 1962, and that the offer was due to expire March 24, 1963. The Reserve Bank, after consultation with the Post Office Department, now proposed to have the reward offer remain in effect indefinitely, but subject to revocation by the Bank at any time.

After discussion, the Board noted without objection the extension of the reward offer.

The meeting then adjourned.


Secretary



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

Item No. 1
3/8/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 8, 1963

Board of Directors,
Riceville State Bank,
Riceville, Iowa.

Gentlemen:

This refers to your request for permission to act
in specific fiduciary capacities.

Following consideration of the information submitted, the Board of Governors of the Federal Reserve System will interpose no objection to Riceville State Bank acting as trustee under three prepaid burial agreements with Mrs. Rose Barkhurst, Mrs. Clara Adams, and William Grear Willett, with the understanding that your bank will not accept any other fiduciary appointments without first applying to the Board.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

UNITED STATES OF AMERICA

Item No. 2

3/8/63

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D. C.

In the Matter of the Application of
THE MARINE CORPORATION
for prior approval of acquisition of
voting shares of Marine National Bank of
Waukesha, Waukesha, Wisconsin.

ORDER EXTENDING PERIOD OF TIME
PRESCRIBED BY PROVISIO IN ORDER OF APPROVAL

WHEREAS, by Order dated September 12, 1962, the Board of Governors, pursuant to section 3(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) and section 222.4(a)(2) of Federal Reserve Regulation Y (12 CFR 222.4 (a)(2)), approved the acquisition by The Marine Corporation, Milwaukee, Wisconsin, of 80 per cent or more of the voting shares of Marine National Bank of Waukesha, Waukesha, Wisconsin, and said Order was made subject to the proviso "that the Marine National Bank of Waukesha shall be opened for business not later than six months after said date of Order"; and

WHEREAS, The Marine Corporation has applied to the Board for an extension of the date by which Marine National Bank of Waukesha is to be opened for business, and it appearing to the Board that good cause has been shown for the additional time requested and that such extension would not be inconsistent with the public interest;

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IT IS HEREBY ORDERED, that the Board's Order of September 12, 1962, be and it hereby is, amended so that the proviso relating to the date by which the bank shall be opened for business shall read: "that the Marine National Bank of Waukesha shall be opened for business not later than April 22, 1963."

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

By order of the Board of Governors.

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

(SEAL)



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

Item No. 3
3/8/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 8, 1963.

AIR MAIL

Mr. Robert P. Briggs,
Federal Reserve Agent,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Briggs:

This refers to the letter from Mr. Leland Ross, Vice President of your Bank, dated February 25, 1963, which, among other things, suggested that the period within which the voting permit may be issued to Marine Corporation, Milwaukee, Wisconsin, to vote the stock it owns or controls of Marine National Bank of Waukesha, Waukesha, Wisconsin, be extended to, and including, April 22, 1963.

It is the Board's opinion that the time extension suggested is reasonable. Accordingly, the Board has extended the time for issuance of the general voting permit to, and including, April 22, 1963.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.