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Minutes for March 19, 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 Tuesday, March 19, 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. Shepardson
Mr. King
Mr. Mitchell

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Fauver, Assistant to the Board
Mr. Hackley, General Counsel
Mr. Farrell, Director, Division of Bank Operations
Mr. Solomon, Director, Division of Examinations
Mr. Shay, Assistant General Counsel
Mr. Conkling, Assistant Director, Division of Bank Operations
Mr. Daniels, Assistant Director, Division of Bank Operations
Mr. Masters, Associate Director, Division of Examinations
Mr. Leavitt, Assistant Director, Division of Examinations
Mr. Spencer, General Assistant, Office of the Secretary
Mr. Hill, Attorney, Legal Division
Mr. Harris, Assistant Review Examiner, Division of Examinations

Discount rates. The establishment without change by the Federal Reserve Bank of Boston on March 18, 1963, 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.

Distributed items. The following items, copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

	Item No.
Letters to ten Edge Act corporations and an agreement corporation granting permission to purchase Class B shares of the Private Development Corporation of the Philippines, Manila, Philppines.	1-11
Telegram to the Federal Reserve Bank of Cleveland authorizing an expenditure of approximately $120,000 for air conditioning the third floor of the Cincinnati Branch building, rather than the $108,00 authorized on November 14, 1962.	12

Preceding approval of Item No. 12, Mr. Farrell reported receiving a telephone call this morning from Mr. John Biermann, Assistant Cashier of the Cincinnati Branch, the purpose of which was to inquire whether the Division of Bank Operations had available specifications for Reserve Bank security courts. From his conversation with Mr. Biermann, he gathered that plans for a security court had been requested by Emery-Knutson, Inc., which was exploring the requirements for a new Cincinnati Branch building in conjunction with the redevelopment project of downtown Cincinnati. Also, Mr. Biermann mentioned that consideration was now being given to a proposed site that would permit construction of a building containing nearly as many square feet of floor space as the Cleveland Reserve Bank building. Mr. Farrell felt that emphasis was being placed upon requirements for a security court and that little consideration was being given to parking facilities or to possible setback on the proposed building site. He suggested that the Board might want to designate one of its members to discuss the building program at the Cincinnati Branch with President Fulton.

There followed a discussion that touched upon present facilities at Cincinnati, the extent of need for a new structure, and a question by Governor Shepardson regarding whether the expense of installing a separate air conditioning system for the third floor of the present building would be justified in view of tentative plans for a new structure. In reply to Governor Shepardson's question, Mr. Farrell noted that a separate system was needed to provide cooling for night shift transit operations and that the installation of new electronic check processing equipment would accentuate the need.

Following additional comments, it was understood that Governor Mills and Mr. Farrell would discuss the building program with President Fulton of the Cleveland Reserve Bank when he was in Washington to attend the next meeting of the Federal Open Market Committee.

Mr. Daniels withdrew from the meeting at this point.

Report on competitive factors (Pittsfield-Great Barrington, Massachusetts). There had been distributed a draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed consolidation of The National Mahaiwe Bank of Great Barrington, Great Barrington, Massachusetts, and First Agricultural National Bank of Berkshire County, Pittsfield, Massachusetts.

During discussion, Governor Shepardson raised the question whether the conclusion of the draft report dwelled unnecessarily on the reduction in the number of commercial banks. It was pointed out that in the State

of Massachusetts mutual savings banks are permitted to exercise certain powers going beyond those usually associated with savings banks. Thus, the savings banks in the area of the proposed consolidation competed directly with the commercial banks in a number of respects. Nevertheless, the savings banks did not possess the full range of competitive capabilities common to commercial banks, such as the making of commercial loans, and through mergers the number of commercial banks in Berkshire County and in the service areas of the two banks involved in the proposed consolidation had been dwindling. It was the consensus that this development warranted mention in reporting on competitive factors.

Accordingly, the report was approved for transmittal to the Comptroller, the conclusion reading as follows:

> Competition between the applicant banks is evidently minor and the proposed consolidation would result in no significant lessening of competition. The proposed consolidation is in furtherance of a trend toward concentration of commercial banking resources in a few banks in Berkshire County. Since December 1961, the number of commercial banks in Berkshire County has been reduced from ten to seven. In the service areas of the two banks involved, the number has been reduced from seven to four. This consolidation would further reduce the number in the county to six and the number in the service area to three. The impact of this trend toward concentration of commercial banking resources in a few banks is tempered somewhat by the strong competitive capabilities of savings institutions in the area.

Survey of Common Trust Funds (Item No. 13). There is attached as Item No. 13 a copy of a memorandum that had been distributed under date of March 15, 1963, from the Division of Bank Operations recommending

that the Board withdraw from the common trust statistical field following publication of the Survey of Common Trust Funds for 1962 in the May 1963 issue of the Federal Reserve Bulletin.

Discussion of this subject resulted in agreement that the matter should be discussed with the Bureau of the Budget and that, unless the Bureau had some objection, the Board would plan to withdraw from the common trust statistical field following publication of the 1962 Survey.

Mr. Conkling then withdrew from the meeting.

Application of Sullivan County Trust Company. There had been distributed a memorandum dated March 12, 1963, from the Division of Examinations and other pertinent papers regarding the application of The Sullivan County Trust Company, Monticello, New York, for permission to merge with The National Bank and Trust Company of Port Jervis, Port Jervis, New York. The Division's recommendation was favorable.

Mr. Leavitt commented on the application, basing his remarks on the information contained in the file on the matter, following which the application was approved unanimously, with the understanding that an order and statement reflecting this decision would be prepared for the Board's consideration.

Messrs. Shay, Masters, Hill, and Harris then withdrew.

Service of staff on Presidents' Conference Subcommittees. Mr. Sherman presented a list of persons from the Board's staff serving as associates on various subcommittees of the Conference of Reserve Bank

Presidents. The redesignation of these individuals, whose names are listed below, was approved unanimously, with the understanding that appropriate advice would be given to the Chairman of the Presidents' Conference:

Charles Molony
Subcommittee on Bank and Public Relations

Howard H. Hackley
Subcommittees of Counsel on (1) Collections, (2) the Commercial Code, (3) Fiscal Agency Operations, and (4) the Insurance Committee

John R. Farrell
Subcommittees on (1) Collections, and (2) Electronics

E. J. Johnson
Subcommittee on Personnel

Joseph E. Kelleher
Subcommittee on Cash, Leased Wire and Sundry Operations

Innis D. Harris
Subcommittee on Emergency Operations

Kenneth A. Kenyon
Subcommittee on Retention and Disposal of Records

David B. Hexter
Subcommittee of Counsel on Emergency Operations

M. B. Daniels
Subcommittee on Accounting, the Insurance Committee of the Federal Reserve Banks, and the Fire Insurance Committee

John N. Kiley, Jr.
Subcommittees on (1) Fiscal Agency Operations, (2) Cash, Leased Wire and Sundry Operations, and (3) Methods and Automation

System Committee on Eligible Paper. At the meeting of the Conference of Presidents on December 3, 1962, it was understood that the Chairman of the Conference would recommend to the Board that the System Committee on Eligible Paper be discharged.

Following discussion, during which reference was made to staff work currently in process with a view to presenting to the Board for consideration certain documentation implementing the recommendations of the System Committee on Eligible Paper, it was agreed unanimously that the System Committee should be discharged. It was understood that appropriate advice would be given to the Chairman of the Presidents' Conference.

Call for condition reports. Mr. Sherman reported that in accordance with the usual procedure a telegram had been sent this morning to the Presidents of all Federal Reserve Banks requesting that a call be made on State member banks on March 21, 1963, for reports of condition as of March 18, 1963.

The sending of the telegram was ratified by unanimous vote.

The meeting then adjourned.

Secretary's Note: Pursuant to recommendations contained in memoranda from the Division of Administrative Services, Governor Shepardson today approved on behalf of the Board the appointment of the following persons to the staff of that Division, with basic annual salaries at the rates indicated effective the respective dates of entrance upon duty:

Name and title	Salary
Thomas W. Flynn, Guard	$3,560
William H. Jay, Messenger	3,245
Joseph C. Stratton, Jr., Messenger	3,245

Secretary

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

Item No. 1
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Boston Overseas Financial Corporation,
67 Milk Street,
Boston 6, Massachusetts.

Gentlemen:

In accordance with the request contained in your letter of February 26, 1963, transmitted through the Federal Reserve Bank of Boston, and on the basis of information furnished, the Board of Governors grants its consent for Boston Overseas Financial Corporation, to purchase and hold approximately 40,000 Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost not to exceed US$100,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Boston Overseas Financial Corporation, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Boston Overseas Financial Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Bank of America,
41 Broad Street,
New York 15, New York.

Gentlemen:

In accordance with the request contained in your letter of December 12, 1962, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for Bank of America, to purchase and hold 100,000 Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost not to exceed US$256,410, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Bank of America, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Bank of America to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963.

Bankers International Financing Company, Inc.,
16 Wall Street,
New York 15, New York.

Gentlemen:

In accordance with the request contained in your letter of March 4, 1963, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for Bankers International Financing Company, Inc., to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost not to exceed US$150,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Bankers International Financing Company, Inc., shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Bankers International Financing Company, Inc. to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

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

Item No. 4
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Chemical International Finance, Ltd.,
20 Pine Street,
New York 15, New York.

Gentlemen:

In accordance with the request contained in your letter of February 28, 1963, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for Chemical International Finance, Ltd., to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost not to exceed US$200,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Chemical International Finance, Ltd., shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Chemical International Finance, Ltd., to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

First National City Overseas Investment Corporation,
399 Park Avenue,
New York 22, New York.

Gentlemen:

In accordance with the request contained in your letter of February 11, 1963, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for First National City Overseas Investment Corporation, to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost not to exceed US$200,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that First National City Overseas Investment Corporation, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by First National City Overseas Investment Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Irving International Financing Corporation,
One Wall Street,
New York 15, New York.

Gentlemen:

In accordance with the request contained in your letter of February 14, 1963, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for Irving International Financing Corporation to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost of approximately US$100,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Irving International Financing Corporation shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Irving International Financing Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

The Board also approves, under Sections 25(a) of the Federal Reserve Act and 211.9(d)(2) of Regulation K, the purchase and holding of stock within the terms of the above consent in excess of 10 per cent of capital and surplus.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Manufacturers Hanover International Finance Corporation,
44 Wall Street,
New York 15, New York.

Gentlemen:

In accordance with the request contained in your application of March 5, 1963, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for Manufacturers Hanover International Finance Corporation to purchase and hold 80,000 Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost of approximately US$200,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Manufacturers Hanover International Finance Corporation shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Manufacturers Hanover International Finance Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

The Board also approves, under sections 25(a) of the Federal Reserve Act and 211.9(d)(2) of Regulation K, the purchase and holding of stock within the terms of the above consent in excess of 10 per cent of capital and surplus.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Morgan Guaranty International Finance Corporation,
23 Wall Street,
New York 15, New York.

Gentlemen:

In accordance with the request contained in your letter of March 4, 1963, transmitted through the Federal Reserve Bank of New York, and on the basis of information furnished, the Board of Governors grants its consent for Morgan Guaranty International Finance Corporation, to purchase and hold 100,000 Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost of approximately US$250,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Morgan Guaranty International Finance Corporation, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United State except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Morgan Guaranty International Finance Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Philadelphia International Investment Corporation,
P.O. Box 7618,
Philadelphia, Pennsylvania.

Gentlemen:

In accordance with the request contained in your letter of January 4, 1963, transmitted through the Federal Reserve Bank of Philadelphia, and on the basis of information furnished, the Board of Governors grants its consent for Philadelphia International Investment Corporation, to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost of approximately US$125,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Philadelphia International Investment Corporation, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Philadelphia International Investment Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Continental International Finance Corporation,
231 South LaSalle Street,
Chicago 90, Illinois.

Gentlemen:

In accordance with the request contained in your letter of February 21, 1963, transmitted through the Federal Reserve Bank of Chicago, and on the basis of information furnished, the Board of Governors grants its consent for Continental International Finance Corporation, to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost of approximately US$150,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Continental International Finance Corporation, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Continental International Finance Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

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. 11
3/19/63

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 20, 1963

Wells Fargo Bank International Corporation,
464 California Street,
San Francisco, California.

Gentlemen:

In accordance with your request, transmitted through the Federal Reserve Bank of San Francisco, and on the basis of information furnished, the Board of Governors grants its consent for Wells Fargo Bank International Corporation, to purchase and hold Class B shares, par value ₱10 each, of Private Development Corporation of the Philippines, Manila, Philippines ("PDCP"), at a cost of approximately US$200,000, provided such stock is acquired within one year from the date of this letter.

The Board's consent is granted upon condition that Wells Fargo Bank International Corporation, shall dispose of its holding of stock of PDCP, as promptly as practicable, in the event that PDCP should at any time (1) engage in issuing, underwriting, selling or distributing securities in the United States; (2) engage in the general business of buying or selling goods, wares, merchandise, or commodities in the United States or transact any business in the United States except such as is incidental to its international or foreign business; or (3) otherwise conduct its operations in a manner which, in the judgment of the Board of Governors, causes the continued holding of its stock by Wells Fargo Bank International Corporation to be inappropriate under the provisions of Section 25(a) of the Federal Reserve Act or regulations thereunder.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

TELEGRAM
LEASED WIRE SERVICE

Item No. 12
3/19/63

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

March 19, 1963

Fulton - Cleveland

Reurlet March 14, 1963, Board authorizes expenditure of approximately $120,000 for air conditioning third floor of Cincinnati Branch building, instead of $108,000 authorized November 14, 1962.

(Signed) Merritt Sherman

Sherman

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Item No. 1358
3/19/63

Office Correspondence

To Board of Governors

From Division of Bank Operations

Date March 15, 1963

Subject: Statistical data on Common Trust Funds

In view of the transfer to the Comptroller of the Currency, effective September 28, 1962, of the statutory authority to grant trust powers to national banks and to regulate the exercise of such powers, it is recommended that the Board withdraw from the common trust statistical field, following publication in the forthcoming May Bulletin of the annual survey of Common Trust Funds for 1962.

This series was begun in 1955, following a request by the Fulbright Committee for information in the field of bank-administered trust business. Since that time the Board has collected and published in the Bulletin annual statistics and analyses relating to Common Trust funds. Each year the survey article has been reprinted and distributed, through the Reserve Banks, to all respondents in the series.

The Board's letter transmitting the form FR 508 for the 1962 survey was dated October 2, 1962; the forms have been distributed and collected by the Reserve Banks; and it is felt that these data should be published. It is not known whether the Comptroller will continue the statistical series, but his Office has proposed the collection of annual reports from all Common Trust funds which would contain data somewhat similar to those previously collected on form FR 508.

It is also recommended that the announcement of the Board's withdrawal from the field be included in the letter to the Reserve Banks which will transmit reprints of the article to the respondent banks sometime in late May or early June; the letter would request that the respondents be notified. An alternative or additional announcement could also be made, if the Board so desires, in the Announcement section of the Bulletin or as a footnote to the survey article.

Raymond J. Collier

Raymond J. Collier,
Chief, Current Series Section.