INDEX TO MINUTES
OF
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
1963
(PART 3)
Legislation:
Act of March 3, 1901, section 689, legislation to amend, submitted by the Federal Home Loan Bank Board, permitting savings profit-sharing plans, report to Bureau of the Budget approved

Administrative Conference of the United States:
Draft bill to establish a permanent, letter to the Bureau of the Budget, approved
S. 1664, a bill to create an, report sent to Chairman Eastman, Committee on the Judiciary

Administrative Procedure Act:
S. 1663, a bill to amend, draft report to Senate Judiciary Committee discussed, including questions re member agencies, agreed that revised draft would be considered after all members of the Board had offered their comments
Governor Mills questioned view that Board indicate to Senator Eastland that committee action be deferred re Administrative Procedure Act until question re proposed Administrative Conference of the United States had been resolved
Letter to Senator Eastland, Chairman of the Senate Judiciary Committee, reporting on, approved, Board favors, but lists points which it feels would hamper its work, suggests that action be deferred until decision is made re establishment of a permanent Administrative Conference
Report sent to Chairman Eastland, Board authorized the sending of copies to agencies requesting

9/19 3242, 3257
5/6 1478, 1503
10/28 3688
10/28 3688
11/1 3734, 3744
12/4 4206
Legislation: (continued)

Administrative Procedure Act: (continued)

S. 1666, a bill to amend section 3, to clarify and protect the right of the public to information, Board favorable to stated purposes, but questions provisions re disclosure of certain confidential information, and disclosure of vote of Board members in all proceedings, report sent to Chairman Eastland, Senate Judiciary Committee

Advances by FRBanks to member banks:

Discount eligibility requirements, possibility of proposing legislative changes re, possible need for revision of Reg. A under existing statutes suggested by Governor Robertson

Draft bill (deposit insurance bill) to extend Federal Reserve credit facilities to nonmember insured banks

Report sent to Budget Bureau, Governor Mills dissenting

Revised draft of bill received omitting provisions re

Draft of proposed revision of Reg. A in light of recommended legislative changes re, staff to draft letters to Senate and House Banking and Currency Committees explaining the need for the recommended legislative changes, and to Presidents of FRBanks informing them of the proposed legislation and requesting comments, understood that action would be cleared with Governors King and Mitchell before sending letters

Draft letters to Chairmen of Senate and House Banking and Currency Committees re proposed revision of Reg. A to be revised for further consideration, draft letter to Presidents of FRBanks regarded as satisfactory
Legislation: (continued)
Advances by FRBanks to member banks: (continued)
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Draft letters: (continued)
Letters to Chairmen of the Senate and House Banking and Currency Committees approved and personally presented on August 21 8/8 2617, 2641
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Report by Mr. Cardon on visits to Chairmen Robertson and Patman of the Senate and House Banking and Currency Committees re proposed legislation with respect to, reservations expressed by Chairman Patman to certain phases of the proposal, Board's staff to study such phases further, copies of proposal being sent to Comptroller of the Currency, FDIC, Budget Bureau, American Bankers Association, Association of Reserve City Bankers, Independent Bankers Association, National Association of Mutual Savings Banks, and U.S. Chamber of Commerce, understood that a press release would be issued 8/23 2905
Security on which credit can be advanced by the FRBanks, Board would be glad to have views by FAC re 9/4 3047
Belief that commercial bankers would strongly favor enactment 9/17 3209
Audits, authority for Federal supervisory agencies to require independent audits at their discretion, question raised by Governor Robertson in connection with anticipated hearings before House Subcommittee on Legal and Monetary Affairs, paper prepared by Board's staff, in response to Chairman Fascell's letter of July 12, 1963, on bank supervision and examination in relation to prevention, detection, and prosecution of crimes against State member banks 9/16 3163, 3174
Legislation: (continued)

Bank Holding Company Act of 1956:
Amendments previously recommended re, discussion as to form of statement in annual report for 1962, in light of legislative changes suggested in Congressman Patman's report on chain banking, understood that staff would prepare revised statement re

Statement approved unanimously for inclusion in Board's 1962 Annual Report 1/9 69

Mergers between holding company subsidiary banks and independent banks, question by Governor Mills whether Board should ask Congress for an amendment to, in order to cover

Bank supervisory and regulatory matters, as suggested in report of Committee on Financial Institutions, including extension of reserve requirements to savings and loan associations and mutual savings banks, strengthening of supervisory authority over liquidity positions, standby authority over rates paid on savings and time accounts, and broadening of safeguards against conflicts of interest, Mr. Solomon designated to attend interagency meeting to prepare draft legislation 11/8 3893

Further discussion
Letter to Budget Bureau

(SEE: Deposit insurance bill)

Banking laws, evolution of, particularly in regard to loans and investments, Governor Mills' proposal to send a paper to Chairman Patman of the House Banking and Currency Committee reflecting his personal views, no objection

4/26 1347
5/15 1578
5/16 1599, 1627
9/23 3282
Legislation: (continued)

Bonds, "constant purchasing power", S. 1311, a bill to authorize the Treasury to issue, which would contain adjustments in maturity and redemption values to compensate for increases in cost of living, to assist individuals to obtain protected retirement benefits, Board does not recommend favorable consideration, report to Budget Bureau

5/29 1794, 1800

Branch banks, foreign, H.R. 5800, a bill to amend section 25 of the FRAct to transfer to the Comptroller of the Currency authority to approve the establishment of foreign branches of national banks and to issue regulations concerning their powers, unfavorable report approved for transmittal to Congressman Patman

6/12 1899, 1922

Bretton Woods agreement, draft bill to amend, to increase the capital stock of International Bank for Reconstruction and Development, report sent to Budget Bureau

4/29 1375, 1381

Budget and Accounting Act, 1921, H.R. 867, H.R. 1920, H.R. 886, H.R. 889, H.R. 2413, and H.R. 3289, bills to amend, to provide for retirement of the public debt by setting aside specified percentages of budget expenditures for that purpose, report sent to Congressman Dawson

2/14 552, 563

Bureau of the Mint:

S. 874, enrolled bill authorizing construction and equipping of buildings required in connection with operations of, Board's letter to Bureau of the Budget re their request for views, strongly recommends President's approval in light of coin shortages

8/12 2681, 2696
Legislation: (continued)

Chain banking, legislative changes suggested by the Patman report with respect to, staff to study, including question whether reference should be made in the Board's 1962 Annual Report, Board to consider further

Not to be included in the Annual Report

Civil Service Retirement Act, P.L. 87-793, amending to provide increased benefits for Civil Service annuitants, letter to Secretary, Retirement System of the FRBanks re basis of payment by the Board for increased benefits for Board annuitants to conform with

Commodity Exchange Act, proposed amendment of, to regulate margin requirements on sugar futures to protect consumer and producer from such extreme price fluctuations that occurred early in 1963, Board advised Budget Bureau per request for opinion re, that some form of regulation may be desirable

Conflicts of interest, draft bill (deposit insurance bill) to strengthen and make applicable to all insured banks and members of Home Loan Bank System certain provisions of law designed to prevent, staff to draft report to Budget Bureau

Report sent to Budget Bureau, Governor Mills dissenting

Revised draft of deposit insurance bill agreed Board would not reply formally to Treasury Department staff member's request for views, telephone advice to be given Treasury and Budget Bureau

Formal report on second revised draft Deposit Insurance Bill sent to Budget Bureau, Governor Mills dissenting
Legislation: (continued)

Consolidated Farmers Home Administration Act of 1961, draft bill proposed by the Department of Agriculture, to amend, adequate consideration of the principles for Federal credit activities advocated in the report of the Committee on Federal Credit Programs to the President, questioned in report to the Bureau of the Budget re

Consumers, Office of, S. 1680, a bill to establish an, within the Federal Government, unfavorable report to Senator McClellan, Chairman of the Committee on Government Operations

Consumers, Department of, H.R. 7879, a bill to establish a, within Federal Government, unfavorable report to Chairman Dawson of House Committee on Government Operations

Deposit insurance, H.R. 5130, a bill to increase the insurance limit from $10,000 to $25,000 on bank deposits and savings and loan shares, no objection to expressing view that the proposed increase would not be in the public interest, statement to be presented by Governor Balderston before House Banking and Currency Committee on April 25, 1963

Revised draft considered appropriate, understood that any specific suggestions would be sent to Governor Balderston

Deposit insurance bill:
Draft bill to increase insurance for banks and savings and loan associations from $10,000 to $15,000, require reserves against time and savings deposits of nonmember banks and savings and loan associations, give nonmember banks access to FRdiscount and advances, extend supervisory authority over liquidity positions, place authority to fix interest rates on a standby basis, and strengthen provisions to prevent conflict of interests, staff to draft report to Budget Bureau
Legislation: (continued)
Deposit insurance bill: (continued)
Draft bill: (continued)

Statement by Governor Mills
Report sent to Budget Bureau, Governor Mills dissenting

Revised draft, omitting former provisions
(1) making reserve requirements against time and savings deposits of nonmember banks, (2) giving nonmember banks access to FRdiscounts and advances, and (3) requiring reserves against accounts of savings and loan associations, Budget Bureau to be informed that Board is unable to express views by indicated deadline

Agreed acceptable to Board only if modified to omit provisions re liquidity requirements for insured banks, letter to Budget Bureau approved, Governor Mills dissenting

Revised draft, (second) now containing seven proposed changes, agreed Board would not reply formally to Treasury Department staff members' request for Board's views, telephone advice to be given Treasury and Budget Bureau

Formal report on second revised draft sent to Budget Bureau, Governor Mills dissenting

Deposits, maximum rates of interest payable on time and savings:

Draft bill (deposit insurance bill) to provide standby authority to Board and FDIC over rates paid on, for member and nonmember banks, and to authorize Federal Home Loan Bank Board to fix maximum dividend rates payable by members of Home Loan Bank System, staff to draft report to Budget Bureau

Report sent to Budget Bureau, Governor Mills dissenting
Legislation: (continued)
Deposits, maximum rates of interest payable on
time and savings: (continued)
Revised draft of bill received, Budget Bureau
to be informed Board unable to
express views by indicated dead-
line
Report to Budget Bureau approved, Gov-
ernor Mills dissenting
Revised draft, proposed change re criteria
for fixing maximum rates of in-
terest reviewed, agreed Board
would not reply formally to Treas-
ury Department staff members' request for Board's views, tele-
phone advice to be given Treasury
and Budget Bureau
Formal report on second revised draft
of deposit insurance bill sent to
Budget Bureau, Governor Mills
dissenting
S. 1799, a bill to put into effect the recom-
mandation that Federal authority
to regulate, be placed on a stand-
by basis
Emergency plans:
Fallout shelters, H.R. 3516, a bill relating
to incorporation of, in Federal
structures, construction of emer-
gency operation offices, and finan-
cial assistance to nonprofit in-
stitutions for fallout shelters,
understanding re testimony by
Chairman Martin before Subcommit-
tee No. 3, House Armed Services
Committee
Employment Act of 1946:
H.R. 1711, a bill to amend, to establish
policies with respect to produc-
tive capital investments of the
Government, report to Congress-
man Dawson
Legislation: (continued)
Federal Banking Commission, H.R. 5874, a bill to establish a, and H.R. 729, a bill to establish a Federal Deposit and Savings Insurance Board, in answer to invited testimony by Congressman Multer at hearings on May 8th before the subcommittee on Bank Supervision and Insurance, agreed that Chairman Martin and Governors Mills, Robertson, and Mitchell would testify each on a personal basis.

Decided later to report by letter on the bill to establish a Federal Deposit and Savings Insurance Board, restricting the testimony to the bill to establish a Federal Banking Commission.

Information re annual expenses incurred by FRSystem in connection with examination and supervision of State member banks and bank holding companies, to be used to project hypothetical aggregate of noninsurance expenses of the proposed Commission for estimating refunds to each insured bank (other than national banks), letter to FDIC.

Federal Deposit and Savings Insurance Board: H.R. 729, a bill to establish a Federal Banking Commission, in answer to invited testimony by Congressman Multer at hearings on May 8th before the Subcommittee on Bank Supervision and Insurance, agreed that Chairman Martin and Governors Mills, Robertson, and Mitchell would testify each on a personal basis.

Decided later to report by letter on the bill to establish a Federal Deposit and Savings Insurance Board.
Legislation: (continued)

Federal Deposit and Savings Insurance Board: (continued)

H.R. 729: (continued)

Draft letter expressing views of the Board as a whole re, to be prepared for consideration and transmission to Congressman Multer prior to testimony on May 8, by four Board members, each testifying on a personal basis

Letter to Congressman Multer opposing proposed legislation unanimously

Federal Home Loan Bank Board:

S. 374 and S. 474, bills to provide for establishment of an International Home Loan Bank Board by, report to Senator Robertson approved for transmittal

Following meeting and after further discussion by Board, agreed report would not be sent at this time; request for report subsequently withdrawn by Senator Robertson

Federal Housing Administration:

S. 1200 and S. 2226, bills that would authorize Federal Housing Administration to compensate mortgagors for structural defects in insured homes, letter to Chairman Robertson of Senate Banking and Currency Committee approved, Governor Mills' adverse views having been noted

FRAct:

Advances by FRBanks to member banks, proposed amendments to, to authorize, as a substitute for the restrictive requirements relating to the "eligibility" of paper for discount or as security for advances by the FRBanks, letters to Chairmen of the Senate and House Banking and Currency Committees transmitting a draft of the proposed legislation, approved and personally presented on Aug. 21

5/6 1442

5/6 1481, 1505

2/18 603

2/18 604

10/16 3563, 3580

8/8 2617, 2641
Legislation: (continued)
FRAct: (continued)

Advances by FRBanks to member banks: (continued)

Proposed revision of Regulation A in light of recommended legislative changes, letter to FRBank Presidents transmitted August 22

Press release issued

Section 22(g) loans to executive officers, possible amendment to permit Comptroller of the Currency rather than Board to define term "executive officer", in case of national banks, and possibly issue regulations under, contained in revised draft of deposit insurance bill, understood views of Board would be transmitted informally to Budget Bureau and Treasury

Formal report on second revised draft of Deposit Insurance bill sent to Budget Bureau, Governor Mills dissenting

Section 23A, draft bill to amend, to exempt extensions of credit by a member bank to any subsidiary of the bank's Edge Act or agreement corporation from limitations of, with the objective of exempting from security requirements those foreign banks that are controlled by a member bank thru an Edge or agreement corporation, agreed to suggest alternative by proposing amendment to sec. 25, FRAct, report sent to Budget Bureau

Section 24, draft bill to amend, to permit national banks to make real estate loans up to 80 per cent of the appraised value and for a term up to 30 years, unfavorable report to Bureau of the Budget approved unanimously

Views of Governors Mitchell and Mills stated
Legislation: (continued)

FRAct: (continued)

Section 24: (continued)

Draft bill to further amend, to liberalize the conditions of loans by national banks on forest tracts, report to Bureau of the Budget approved

Further discussion, memorandum re views of the Comptroller of the Currency with respect to, discussed, question within the Board re proposal but majority would not be prepared to oppose the measure vigorously, Chairman Martin to convey opinion to the Treasury

S. 2259, bill to amend, to liberalize conditions of loans by national banks on forest tracts, Board sees no objection to favorable consideration of letter to Chairman Robertson of Senate Banking and Currency Committee re

Section 25:

Amendment proposed to authorize national banks (and thus State member banks under section 9, FRAct) to apply to Board for permission to acquire and hold directly controlling stock interests in foreign banks, that are controlled by a member bank through foreign banking corporations, letter to Budget Bureau

H.R. 5800, a bill to amend, to transfer to the Comptroller of the Currency functions with respect to foreign branches of national banks, report opposing, approved for transmittal to Congressman Patman, Chairman of the House Banking and Currency Committee

FRnotes:

Issue and redemption of, Comptroller of the Currency seeking legislation to transfer function to Federal Reserve, noted
Legislation: (continued)
FRnotes: (continued)

Issuance by FRBanks of FRnotes in $1 denomination:
S. 731, a bill to repeal certain legislation relating to silver purchase laws and to authorize, report to Senator Robertson, reference to issuance of FRnotes in $2 denomination

Favored and recommendation that bill cover $2 FRnotes indicated in draft statement for Chairman Martin re H.R. 4413, a bill to repeal the silver purchase laws and provide for replacement of silver certificates by FRnotes, understood that the statement would be put in final form satisfactory to the Chairman with Governor Mills dissenting from the position expressed

Reference to possible effect on float, single issue FRnotes and destruction of FRnotes

Federal savings and loan associations:
Draft bill to permit, to act as trustees for trust qualifying under Self-Employed Individuals Tax Retirement Act of 1962, proposed by Federal Home Loan Bank Board, Board not in favor of bill in present form, report to Budget Bureau

Draft bill to enlarge investment powers of, permitting investment without limit in obligations of all agencies of the United States as well as obligations of States and local governmental entities with the possibility of including "revenue bonds", understood that the report to the Bureau of the Budget would be redrafted for further consideration

No position to be taken on the "revenue bond" question with respect to
Legislation: (continued)

Federal savings and loan associations: (continued)

Draft bill to enlarge investment powers of:
Letter to Budget Bureau approved
H.R. 8245 to broaden powers of, proposed by
Federal Home Loan Bank Board, position at forthcoming hearings
before House Banking and Currency
Committee to be discussed further
tomorrow

Board believes Congress should take ac-
tion on H.R. 7404 before consider-
ing, understood testimony to be
presented September 24, 1963,
should be consistent with Board
discussions and satisfactory to
Chairman Martin

Revised draft of legislation to amend section
5 of the Federal Home Loan Act of
1933, the Internal Revenue Code
of 1954, and section 689 of the
Act of March 3, 1901, submitted
by the Federal Home Loan Bank
Board, permitting savings and
loan associations to act as trust-
ees with respect to qualified
stock bonus, pension and profit-
sharing plans, report to Bureau
of the Budget approved

Question re tenor of testimony to be given
tomorrow raised by Governor Mills,
Chairman Martin described posi-
tion on H.R. 8245, which had been
agreed to earlier

Federal Trade Commission Act:
S. 774, referred to as the Quality Stabiliza-
tion Act, a bill to amend, to per-
mit manufacturers of brand products
to establish, maintain, and enforce
through the courts retail prices
in the manner of the "fair trade
laws", representative of the Divi-
sion of Research and Statistics
invited by the Budget Bureau and
Department of Justice to submit
a voluntary statement to the Sen-
ate Commerce Committee re, agreed
that a voluntary report should not
be made
Legislation: (continued)
Federal Trade Commission Act: (continued)
S. 774: (continued)
Agreed to advise Budget Bureau to formally request Board's views
Letter to Budget Bureau re their request for Board's views approved, Board indicating it would not recommend enactment of

Finance charges:
S. 750, bill to require disclosure of, in extensions of credit, to assist in promotion of economic stability, report sent to Senator Robertson
H.R. 4070, a bill to assist in the promotion of economic stabilization by requiring the disclosure of, in connection with extension of credit, report to Congressman Patman, Chairman of the House Banking and Currency Committee, endorsing the objective but indicating it inappropriate for Board to administer

Food stamp program for needy householders, draft bill to authorize, report sent to Budget Bureau
Foreign banking corporations, comments re usefulness of Board's Regulation K in connection with, and re possibility of scrapping Regulation K and requesting new legislation

Hearings, public, on proposed agency rule making, S. 691, a bill to require, following publication in Federal Register and receipt of timely protests, Board's view that proposed legislation is not needed, report to Senator Eastland

Home Owners' Loan Act of 1933:
Section 5:
Draft bill to amend, to permit Federal savings and loan associations, and certain other members of Federal Home Loan Bank System, to act as trustees for trusts qualifying under sec. 401, Internal Revenue Code, as amended by Self-Employed Individuals Tax Retirement Act of 1962, unfavorable report to Budget Bureau approved
Legislation: (continued)
Home Owners' Loan Act of 1933: (continued)
Section 5: (continued)
Draft bill to enlarge investment powers
of Federal savings and loan associations, permitting investment
without limit in obligations of
all agencies of the United States
as well as obligations of States
and local governmental entities
as defined by the Federal Home
Loan Bank Board, with the possi-
bility of including "revenue
bonds", understood that the
report to the Bureau of the
Budget would be redrafted for
further consideration, no posi-
tion to be taken on the "revenue
bond" question with respect to

Letter to Budget Bureau approved re
their request for views, Board
indicated Federal Home Loan
Bank Board should be strength-
ened first by appropriate leg-
islation before considering
additional investment powers
of Federal savings and loan
associations

Revised draft discussed, report to
Bureau of the Budget approved

H.R. 43, a bill to amend Title 28 of the United
States Code to provide for a
United States Administrative
Court, report to Congressman
Celler, Chairman of the House
Judiciary Committee, approved

H.R. 113, a bill which specifies that the bud-
get submitted by the President
to Congress include an item for
not less than $2,000,000,000 to
be applied toward reducing the
national debt, report sent to
Congressman Dawson
Legislation: (continued)

H.R. 258 and S. 607, identical bills to authorize the establishment of Federal mutual savings banks, similar letters to Chairman Patman and Chairman Robertson of the House and Senate Banking and Currency Committees transmitting an appraisal prepared by the staff and concurred in by the Board, approved.

H.R. 729, a bill to establish a Federal Deposit and Savings Insurance Board and H.R. 5874, a bill to establish a Federal Banking Commission, in answer to invited testimony by Chairman Multer of the Subcommittee on Bank Supervision and Insurance, at hearings on May 8, agreed that Chairman Martin and Governors Mills, Robertson, and Mitchell would testify each on a personal basis.

Decided later to report by letter on the bill to establish a Federal Deposit and Savings Insurance Board, restricting the testimony to the bill to establish a Federal Banking Commission.

Draft letter expressing views of the Board as a whole, to be prepared for consideration and transmission to Congressman Multer prior to testimony on May 8, by four Board members, each testifying on a personal basis.

Letter to Congressman Multer opposing proposed legislation approved unanimously.

H.R. 867, 886, and 889, bills to amend the Budget and Accounting Act of 1921, to provide for retirement of the public debt by setting aside specified percentages of budget receipts for that purpose, report to Congressman Dawson.
Legislation: (continued)

H.R. 1711, bill to amend Employment Act of 1946 to establish policies with respect to productive capital investments of the Government, report sent to Congressman Dawson 2/26 683, 694

H.R. 1920, 2413, and 3289, bills to amend Budget and Accounting Act of 1921 to provide for retirement of the public debt by setting aside specified percentages of budget receipts for that purpose, report to Congressman Dawson 2/14 552, 563

H.R. 3496, a bill to extend for two years the Reorganization Act of 1949, as amended, report to Chairman Dawson of the House Committee on Government Operations, approved 3/22 987, 1006

H.R. 3516, a bill relating to incorporation of fallout shelters in Federal structures, construction of emergency operation offices, and financial assistance to nonprofit institutions for fallout shelters, understanding re testimony by Chairman Martin before Subcommittee No. 3, House Armed Services Committee 6/4 1814

H.R. 4070, a bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extension of credit, report to Congressman Patman, Chairman of the House Banking and Currency Committee, endorsing the objective but indicating it inappropriate for Board to administer 5/3 1444, 1455

H.R. 4413, a bill to repeal the silver purchase laws and provide for replacement of silver certificates by FRnotes, draft statement for Chairman Martin favoring repeal, understood that the statement would be put in final form satisfactory to the Chairman with Governor Mills dissenting from the position expressed 3/11 841
Legislation: (continued)

H.R. 4413: (continued)
Reference to possible effect on float, single issue of FRNotes, and destruction of FRNotes

H.R. 5130, a bill to increase the insurance limit from $10,000 to $25,000 on bank deposits and savings and loan shares, no objection to expressing view that the proposed increase would not be in the public interest, understood that a revised draft would be prepared, statement to be presented by Governor Balderston before House Banking and Currency Committee on April 25, 1963

Revised draft considered appropriate, understood that any specific suggestions would be sent to Governor Balderson

H.R. 5389, enrolled bill to repeal certain legislation relating to the purchase of silver, and for other purposes, report sent to Budget Bureau

H.R. 5800, a bill to amend section 25 of the FRAct to transfer to the Comptroller of the Currency functions with respect to foreign branches of national banks, report opposing, approved for transmittal to Congressman Patman, Chairman of the House Banking and Currency Committee

H.R. 5845, a bill to amend section 5136 of the Revised Statutes, to permit banks to underwrite and deal in "revenue bonds" of States and political subdivisions, and to relax restrictions re underwriting and investing in public housing agency securities, statement for Chairman Martin for hearing before the House Banking and Currency Committee discussed, further discussion at tomorrow's meeting
Legislation: (continued)

H.R. 5845: (continued)

Agreed that if Board took an adverse position that it would recommend that the present law be clarified in relationship to the Comptroller's interpretation.

Majority of Board opposed

Governor Mills raised question re tenor of testimony to be given tomorrow, Chairman Martin described position on, that had been agreed to earlier, views of Governor Mills re

H.R. 5874, a bill to establish a Federal Banking Commission and H.R. 729, a bill to establish a Federal Deposit and Savings Insurance Board, in answer to invited testimony by Congressman Multer at hearings on May 8th before the Subcommittee on Bank Supervision and Insurance, it was agreed that Chairman Martin and Governors Mills, Robertson, and Mitchell would testify each on a personal basis.

Decided later to report by letter on the bill to establish a Federal Deposit and Savings Insurance Board, restricting the testimony to the bill to establish a Federal Banking Commission.

Further discussion re, letter to FDIC with respect to

H.R. 6789, companion bill to S. 1642, bills to amend Securities Exchange Act of 1934 and Securities Act of 1933, to extend coverage to certain over-the-counter stocks including bank stocks, report similar to that on S. 1642 sent to Chairman Harris, House Committee on Interstate and Foreign Commerce.
Legislation: (continued)

H.R. 7878, a bill to extend authority of national banks to make conventional real estate loans, position at forthcoming hearings before House Banking and Currency Committee re, to be discussed further tomorrow

Board opposed to, understood testimony to be presented September 24, 1963, by Chairman Martin

Tenor of testimony questioned by Governor Mills, Board's position described by Chairman Martin

H.R. 7879, a bill to establish a Department of Consumers within the Federal Government, unfavorable report to Chairman Dawson of the House Committee on Government Operations

H.R. 8230, a bill to authorize national banks to lend more liberally on forest tracts, position at forthcoming hearings before House Banking and Currency Committee re, to be discussed further tomorrow

Board would not recommend favorable action, understood testimony to be presented on September 24, 1963 by Chairman Martin

Governor Mills raised question re tenor of testimony to be given tomorrow, Chairman Martin described position on, which had been agreed to earlier

H.R. 8245, a bill to broaden powers of savings and loan associations, proposed by Federal Home Loan Bank Board, position at forthcoming hearings before House Banking and Currency Committee to be discussed further tomorrow

Board believes Congress should take action on H.R. 7404 before considering, understood that testimony to be presented on September 24, 1963, should be consistent with Board discussions and satisfactory to Chairman Martin
Legislation: (continued)

H.R. 8245: (continued)

Governor Mills raised question re tenor of testimony to be given tomorrow, Chairman Martin described position on, which had been agreed to earlier

H.R. 8247, a bill to raise the limit on loans by national banks to a single borrower from 10 to 20 per cent of bank's capital and surplus, view that present limit of 10 per cent on loans to any one borrower should stand, understood position to be taken on, and other legislative proposals at forthcoming hearings before House Banking and Currency Committee would be discussed at next Board meeting

Board opposed to, understood testimony to be presented September 24, 1963, before House Banking and Currency Committee by Chairman Martin

Governor Mills questioned tenor of testimony to be given tomorrow, Chairman Martin described position on, which had been agreed to earlier

Indian revolving loan fund, draft bill to amend the law establishing, proposed by Department of Interior, report sent to Budget Bureau

Indians and Indian organizations, loans to, draft bill proposed by Department of the Interior to provide for guaranty and insurance of, letter to, indicating no comments

Information, public disclosure of, S. 1666, a bill to amend Administrative Procedure Act, section 3, with respect to, Board favorable to stated purposes, but questions provisions re disclosure of certain confidential information, and disclosure of vote of Board members in all proceedings, report sent to Chairman Eastland, Senate Judiciary Committee
Legislation: (continued)

Inter-American Development Bank, Treasury draft bill to provide for increased participation by the U. S., report to Bureau of the Budget interposing no objection 5/9 1511, 1520

Internal Revenue Code, section 401, draft bill to amend Home Owners Loan Act of 1933, and, to permit Federal savings and loan associations, and certain other members of the Federal Home Loan Bank System, to act as trustees for trusts qualifying under, report to Bureau of the Budget approved 3/6 776, 805

Legislation to amend, submitted by Federal Home Loan Bank Board, permitting savings and loan associations to act as trustees with respect to qualified stock bonus, pension and profit-sharing plans, report to Bureau of the Budget approved 9/19 3242, 3257

International Bank for Reconstruction and Development, draft bill to amend Bretton Woods agreement to increase capital stock of, report sent to Budget Bureau 4/29 1375, 1381

International Development Association Act, Treasury draft bill to amend, memorandum circulated by Ralph A. Young, Adviser to Board and Director, Division of International Finance, recommending that Budget Bureau be advised by telephone that Board would have no objection to a Treasury draft bill to amend 9/16 3161, 3172

International Home Loan Bank:
S. 374 and S. 474, bills providing for the establishment of, by Federal Home Loan Bank Board, report to Senator Robertson approved for transmittal 2/18 603

Later agreed that report would not be sent at this time, request for report subsequently withdrawn by Senator Robertson 2/18 604
Legislation: (continued)

Liquidity positions of all insured banks and all members of Home Loan Bank System, draft bill (deposit insurance bill) to extend supervisory authority over, staff to draft report to Budget Bureau

Report sent to Budget Bureau, Governor Mills dissenting

Revised draft of bill received, Budget Bureau to be informed that Board is unable to express views by indicated deadline

Revised draft would vest authority in the Comptroller of the Currency, Board and FDIC over classes of banks under their respective supervision, agreed draft of bill acceptable only if modified to omit provisions re liquidity requirements for insured banks, report to Budget Bureau approved, Governor Mills dissenting

Further discussion of revised draft of deposit insurance bill

Formal report on second revised draft sent to Budget Bureau, Governor Mills dissenting

Loans to executive officers, revised draft of deposit insurance bill, now containing proposals re, understood views would be transmitted informally to Treasury and Budget Bureau

Formal report on second revised draft of deposit insurance bill sent to Budget Bureau, Governor Mills dissenting

Loans by national banks on forest tracts, draft bill to further amend section 24 of the FRAct to liberalize the conditions of, report to Bureau of the Budget approved
Legislation: (continued)

Loans by national banks on forest tracts: (continued)

Further discussion, memorandum re views of
the Comptroller of the Currency
with respect to, discussed, question within the Board re proposal
but majority would not be prepared
to oppose the measure vigorously,
Chairman Martin to convey opinion
to the Treasury

H.R. 8230, a bill to authorize national banks
to lend more liberally on forest
tracts, position at forthcoming
hearings before House Banking and
Currency Committee re, to be dis-
cussed further tomorrow

Board would not recommend favorable ac-
ton on, understood testimony to
be presented by Chairman Martin
would be presented in manner con-
sistent with Board discussions
and satisfactory to Chm. Martin

Governor Mills raised question re tenor
of testimony to be given tomorrow
on, Chairman Martin described posi-
tion on, which had been agreed to
to earlier

Draft of report prepared by staff on,
with cooperation of FRBanks and
100 commercial banks in connec-
tion with study Chairman Martin
promised to give House Banking
and Currency Committee on, under-
stood report would be submitted
in final form satisfactory to
Chairman Martin

S. 2259, a bill to amend section 24 of FRAcT
to liberalize conditions re, Chm.
Martin in an appearance before
House Banking and Currency Com-
mittee reported unfavorably on
a companion bill H.R. 8230, Board
sees no objection to, letter to
Senator Robertson, Chairman of
Banking and Currency Committee re
Legislation: (continued)

Loans, limitations on:
H.R. 8247, a bill to raise limit on loans by a national bank to a single borrower from 10 to 20 per cent of the bank's capital and surplus, views of Board stated, position at forthcoming hearing to be discussed further tomorrow

Board opposed to, understood testimony to be presented before House Banking and Currency Committee on September 24, 1963, by Chairman Martin

Governor Mills raised question re tenor of testimony to be given tomorrow, Chairman Martin described position on H.R. 8247, which had been agreed to earlier

Question re manner of expressing Board's opposition to proposed draft bill, revised report to Budget Bureau to be prepared

Board not in favor of liberalization of the law, report sent to Budget Bureau

Mint, Bureau of, proposed bill by the Treasury, to authorize the construction and equipping of buildings required in connection with operations of the, favorable consideration urged in report to Bureau of the Budget in light of shortage of coins

S. 874, a bill to authorize construction and equipping of buildings required in connection with operations of, favorable consideration strongly urged in light of recurring coin shortages, report to Senator Robertson

Mortgages:
S. 810, 811, and 2130, bills to improve marketability of mortgages not presently underwritten by the Federal Government, letter to Senator Robertson of Banking and Currency Committee, Board believes that certain questions arising from these proposals should be carefully considered and resolved before action is taken with respect to any of the three bills
Legislation: (continued)

Mutual savings banks, Federal charters for, favored in draft report of the Committee on Financial Institutions, views and previous position taken by the Board re proposed legislation permitting, discussed in light of Chairman's position with respect to items covered in the report.

S. 607 and H.R. 258, identical bills to authorize the establishment of, similar letters to Chairman Robertson and Chairman Patman of the Senate and House Banking and Currency Committees, transmitting an appraisal of, approved.

National banks:

Loans to one borrower, limitation on, draft bill to increase the maximum liability of a single borrower by amending section 5200, of the Revised Statutes, revised draft of report to Budget Bureau to be prepared.

Board not in favor of liberalization of the law, report sent to Budget Bureau.

Parking, Federal employees:

Survey made by General Services Administration, request from Budget Bureau for comment on report recommending request for legislation, Government monthly charge, and legislation assuring that agencies now administering their own parking spaces participate in contemplated program, consensus that Board not participate, in light of FRAct, providing Board control of its building and space, letter to Budget Bureau approved.
Legislation: (continued)

Public debt:

H.R. 113, a bill which specifies that the budget submitted by the President to Congress, include an item for not less than $2,000,000,000 to be applied toward reducing the national debt, report sent to Congressman Dawson

H.R. 867, 886, 889, 1920, 2413, and 3289, bills to amend Budget and Accounting Act, 1921, to provide for the retirement of, by setting aside specified percentages of budget expenditures for that purpose, report sent to Congressman Dawson

Public housing agency securities:

H.R. 5845, a bill to amend section 5136 of Revised Statutes, one part of the bill to relax restrictions on national banks and State member banks with respect to underwriting, dealing in, and investing in, understood position to be taken along with other legislative proposals at forthcoming hearings before House Banking and Currency Committee would be discussed at next Board meeting

Further discussion, testimony to be prepared for Chairman Martin consistent with Board discussions

Tenor of testimony questioned by Governor Mills, Board's position described by Chairman Martin

Public Law 87-588, letter to Comptroller of the Currency in implementation of, discussing fact that revision of Regulation M made it unnecessary for national banks to obtain Board approval before establishing foreign branches and investing in Edge Act corporations
Legislation: (continued)
Public Law 87-793, increased retirement benefits provided by, for Civil Service annuitants, letter to Secretary of the Retirement System of the FRBanks re basis of payment by the Board for increased benefits for Board annuitants to conform with provisions of

Quality Stabilization Act:
S. 774, referred to as, a bill to amend the Federal Trade Commission Act to permit manufacturers to enforce through the courts retail prices in the manner of the "fair trade laws", representative of the Division of Research and Statistics invited by the Budget Bureau and Department of Justice to submit a voluntary statement to the Senate Commerce Committee re, agreed that a report should not be made

Agreed to advise Budget Bureau to formally request Board's views

Letter to Budget Bureau re their request for Board's views, approved, Board indicating it would not recommend enactment of

Real estate loans by national banks:
Draft bill by the Treasury to amend section 24 of the FRAct, to permit national banks to make real estate loans up to 80 per cent of the appraised value and for a term up to 30 years, unfavorable report to Bureau of the Budget approved, views of Governors Mitchell and Mills stated

H.R. 7878, a bill to extend authority to national banks to make conventional real estate loans, position at forthcoming hearings before House Banking and Currency Committee re, to be discussed further tomorrow
Legislation: (continued)

Real estate loans by national banks: (continued)

H.R. 7878: (continued)

Board opposed to, understood testimony to be presented September 24, 1963, by Chairman Martin

Tenor of testimony questioned by Governor Mills, Board position described by Chairman Martin

Reorganization Act of 1949:

H.R. 3496, a bill to extend for two years the, report to Chairman Dawson of the House Committee on Government Operations approved

Reserve requirements:

Demand deposits, possible extension to all insured banks, and possible computation of reserves on a graduated basis, Board concurs re recommendation of Committee on Financial Institutions re, discussed in consideration of deposit insurance bill

Statement re, included in report to Budget Bureau on deposit insurance bill

Question re restating Board's position re, in second report to Budget Bureau

Extension to savings & loan association accounts and nonmember bank time and savings deposits, draft bill (deposit insurance bill) to provide for, staff to draft report to Budget Bureau

Report sent to Budget Bureau, Governor Mills dissenting

Revised draft of bill received omitting provisions re

Retirement benefits:

S. 1331, a bill to assist individuals in obtaining protected, against increases in cost of living by authorizing Treasury to issue "constant purchasing power" bonds which would contain adjustments in maturity and redemption values to compensate for increases in cost of living, Board does not recommend favorable consideration, report to Budget Bureau
Legislation: (continued)

Revenue bonds:

H. R. 5845, a bill to amend section 5136 of Revised Statutes, to permit underwriting and dealing in, by commercial banks, understood position to be taken re, at forthcoming hearings would be discussed at next Board meeting 9/18 3214

Agreed that if Board took an adverse position that it would recommend that the present law be clarified in relationship to the Comptroller's interpretation 9/18 3226

Further discussion, majority of Board, as indicated at yesterday's Board meeting, opposed 9/19 3243

Governor Mills raised question re tenor of testimony to be given, Chairman Martin described position on, that had been agreed to earlier 9/23 3281

S. 828, a bill to grant national and State member banks limited authority to underwrite; Messrs. Hawes, Perkins, Leach, and Pfeffer, representatives of Harris Trust and Savings Bank, Chicago; Continental Illinois National Bank, Chicago; Morgan Guaranty Trust Company, New York and First National City Bank, New York; met with Board to present views in favor of 7/24 2421

Letter to Senator Robertson, Chairman of Senate Banking and Currency Committee, stating that Board does not favor enactment of, believes, however, that legislation clarifying meaning of term "general obligation" as used in section 5136 of Revised Statutes is urgently needed 9/19 3243, 3259
Legislation: (continued)

Revised Statutes:

Section 5145, letter to Bureau of Budget on S. 2228, a bill to amend, to change the requirements for the annual meeting date for national banks, the bill would also make a technical conforming amendment to section 5149 of the Revised Statutes, Board recommends approval of

Section 5149, a letter to Bureau of Budget on S. 2228, the bill would make a technical conforming amendment to, and amend section 5145 to change the requirements for the annual meeting date for national banks, Board recommends approval of S. 2228

Section 5200, a draft bill to amend, to increase the limit on the maximum liability of a single borrower to a national bank, discussion re effect on State-chartered banks and small banks, question re manner of expressing Board's opposition to proposal, revised draft of report to Budget Bureau to be prepared

Board not in favor of liberalization of the law, report sent to Budget Bureau

Rule making by agencies:

S. 691, a bill to require public hearings to be held in States affected by, following publication in Federal Register of proposal and receipt of timely protests, Board views legislation not needed, report sent to Senator Eastland

Securities Act of 1933:

S. 1642, a bill to amend, report sent to Chairman Robertson, Senate Banking and Currency Committee

Report to Congressman Harris, Chairman of House Committee on Interstate and Foreign Commerce, approved with Governor Mills dissenting
Legislation: (continued)

Securities Exchange Act of 1934:

Credit regulation, Board's authority under, memorandum by Mr. Dembitz presenting four alternative approaches for consideration re broadened statutory authority subjecting all loans collateralized by both listed and unlisted securities to margin regulations, views of Board members expressed

Proposed extension of, to make certain provisions, including financial reporting applicable to corporations having more than 300 stockholders, with no exemption with respect to banks, and providing regulation and administration of banks by Federal supervisory authorities, draft bill being redrafted by Budget Bureau and SEC, Board's assistance requested

Consensus that responsibility for administration should rest with the Securities and Exchange Commission, views to be reported to the Budget Bureau, Messrs. Hexter and Dembitz to attend a meeting of technically qualified representatives of interested agencies, arranged by the Bureau of the Budget to discuss

Letter to Bureau of the Budget reporting on, approved

Revised draft bill to extend coverage to stocks traded over the counter, in which bank stocks would be covered, and which would give initial administration to SEC but transfer that responsibility to the three Federal bank supervisory agencies, at their request, to be introduced to Congress, noted
Legislation: (continued)

Securities Exchange Act of 1934: (continued)

S. 1642, providing extension of the requirements of the, to stocks traded over the counter, also relating to registration, proxies and insider trading, understood that a draft report to the Chairman of the Senate Banking and Currency Committee, following the Board's previous position, would be prepared for Board consideration.

Views of Chairman Martin re insider trading expressed

Further discussion re report on, in light of Chairman Martin's anticipated testimony before Senate Banking and Currency Committee, comments re administration by SEC or by bank supervisory agencies, agreed revised draft of report be prepared, comments by Gov. Mills re administration of provisions re bank stocks.

Board in agreement with purposes of proposed legislation, but not in favor of SEC delegating administration over bank stocks to bank supervisory agencies, report, with memorandum commenting on certain problems, sent to Senator Robertson, understanding re testimony by Chairman Martin.

Similar report on companion bill, H.R. 6789 sent to Chairman Harris, House Committee on Interstate and Foreign Commerce.

Board approval given to letter to Chairman Oren Harris of House Committee on Interstate and Foreign Commerce, Governor Mills dissenting, Board not in favor of extending coverage to certain over-the-counter stocks including banks, Board believes they should be administered by SEC, similar reaction to H.R. 6789.
Legislation: (continued)

Securities Exchange Act of 1934: (continued)

S. 1642: (continued)

Need for legislation re, possibility of drafting and introducing jointly with Securities and Exchange Commission, noted that Board's staff was preparing memorandum summarizing SEC recommendations

Further discussion

S. 374 and S. 474, bills providing for establishment by Federal Home Loan Bank Board of an International Home Loan Bank, report to Senator Robertson approved for transmittal

Later agreed report would not be sent at this time, request for report subsequently withdrawn by Senator Robertson

S. 607 and H.R. 258, identical bills to authorize the establishment of Federal mutual savings banks, similar letters to Chairman Robertson and Chairman Patman of the Senate and House Banking and Currency Committees transmitting an appraisal prepared by the staff and concurred in by the Board, approved

S. 691, a bill to require public hearings to be held in each State affected by a proposed agency rule, involving protests filed after notice of the proposed rule is published in the Federal Register, Board indicated in the report to Senator Eastland that such legislation was not needed

S. 731, a bill to repeal certain legislation relating to purchase of silver; to authorize FRBanks to issue FRnotes in $1 denomination, and to terminate the special tax on transfers of silver bullion, report sent to Senator Robertson, reference to issuance of FRnotes in $2 denomination
Legislation: (continued)

S. 750, a bill to require disclosure of finance charges in connection with extensions of credit, to assist in promotion of economic stability, report to Senator Robertson

S. 774, referred to as the Quality Stabilization Act, a bill to amend the Federal Trade Commission Act to permit manufacturers of brand products to establish, maintain, and enforce through the courts retail prices in the manner of the "fair trade laws", representative of the Division of Research and Statistics invited by the Budget Bureau and Department of Justice to submit a voluntary statement to the Senate Commerce Committee re, agreed that a voluntary report should not be made

Agreed to advise the Budget Bureau to formally request Board's views

Letter to Budget Bureau re their request for Board's views approved unanimously, indicating Board would not recommend enactment of

S. 810, 811, and 2130, bills to improve marketability of mortgages not presently underwritten by the Federal Government, letter to Senator Robertson, Chairman of Banking and Currency Committee, Board believes that certain questions arising from these proposals should be carefully considered and resolved before action is taken with respect to any of the three bills

S. 828, a bill to grant national and State member banks limited authority to underwrite revenue bonds, Messrs. Hawes, Perkins, Leach, and Pfeffer, representatives of Harris Trust and Savings Bank, Chicago; Continental Illinois National Bank, Chicago; Morgan Guaranty Trust Company, New York; and First National City Bank, New York; met with Board to present views in favor of
Legislation: (continued)

S. 828, a bill to grant national and State member banks limited authority to underwrite revenue bonds, unfavorable report to Senator Robertson, Chairman of Senate Banking and Currency Committee

S. 874, a bill to authorize construction and equipping of buildings required in connection with operations of the Bureau of the Mint, favorable consideration urged in report to Senator Robertson

Report to Budget Bureau recommending President's approval

S. 1200 and S. 2226, bills that would authorize the Federal Housing Administration to compensate mortgagors for structural defects in insured homes, letter to Chairman Robertson of the Senate Banking and Currency Committee approved, Governor Mills' adverse views on Board's position noted

S. 1331, a bill to authorize the Treasury to issue "constant purchasing power" bonds, which would contain adjustments in maturity and redemption values to compensate for increases in cost of living, unfavorable report to Budget Bureau

S. 1642, a bill providing extension to stocks traded over the counter the requirements of the Securities Exchange Act relating to registration, proxies, and insider trading, views expressed with further discussion re question of administrative responsibility, understood that a draft report to the Chairman of the Senate Banking and Currency Committee, would be prepared for Board consideration

1963

659
Pages
Legislation: (continued)

S. 1642: (continued)

Further discussion re report on, in light of Chairman Martin's anticipated testimony before the Senate Banking and Currency Committee, comments re administration by SEC or by bank supervisory agencies, agreed revised draft of report be prepared, comments by Governor Mills re administration of provisions re bank stocks 6/17 1933, 1934

Report, with memorandum commenting on certain problems, sent to Senator Robertson, understanding re testimony by Chairman Martin 6/19 1975, 1982

Unfavorable report to Chairman Oren Harris, House Committee on Interstate and Foreign Commerce Committee, Governor Mills dissenting 8/22 2842, 2878

S. 1663, a bill to amend the Administrative Procedure Act, questions re opposition to judicial review in the area of credit regulation and monetary policy and disclosure of individual voting records of multi-member agencies discussed, agreed that revised draft of report to the Senate Judiciary Committee would be considered after all members of the Board had offered their comments 10/28 3588

Letter to Senator Eastland, Chairman of Senate Judiciary Committee, approved, Board favors but lists those points which it feels would hamper its work, suggestion that action be deferred until decision was made re establishment of a permanent Administrative Conference 11/1 3734, 3744

Report sent to Chairman Eastland, Board authorized the sending of copies of the report to such agencies as requested access to them 12/4 4206
Legislation: (continued)

S. 1664, a bill to create an Administrative Conference of the U.S. to provide for continuous improvement of the administrative procedure of Federal agencies, Board in favor of objectives, but questions proposed composition of membership, report sent to Chairman Eastman, Committee on the Judiciary 6/20 1991, 2015

S. 1666, a bill to amend the Administrative Procedure Act, section 3, to clarify and protect the right of the public to information, Board favorable to stated purposes, but questions provisions re disclosure of certain confidential information, and disclosure of vote of Board members in all proceedings, report sent to Chairman Eastland, Senate Judiciary Committee 7/2 2175, 2180

S. 1680, a bill to establish an Office of Consumers within the Federal Government, unfavorable report to Senator McClellan, Chairman of the Committee on Government Operations 7/8 2205, 2215

S. 1799, a bill to put into effect the recommendation that Federal authority to regulate interest rates on time and savings deposits be placed on a standby basis, noted by FRBank of New York in letter urging increase in present rate ceiling re certain classes of time certificates 7/11 2256

S. 2130, S. 810, and S. 811, bills to improve marketability of mortgages not presently underwritten by the Federal Government, letter to Senator Robertson of the Senate Banking and Currency Committee, Board believes that certain questions arising from these proposals should be carefully considered and resolved before action is taken with respect to any of the three bills 9/27 3360, 3386
Legislation: (continued)

S. 2226 and S. 1200, bills that would authorize the Federal Housing Administration to compensate mortgagors for structural defects in insured homes, letter to Chairman Robertson of the Senate Banking and Currency Committee approved, Governor Mills' adverse views on Board's position noted

S. 2228, a bill to amend section 5145 of the Revised Statutes, to change the requirements for the annual meeting date for national banks, the bill would also make a technical conforming amendment to section 5149 of the Revised Statutes, report to Bureau of the Budget

S. 2259, a bill to amend section 24 of the FRAct to liberalize conditions of loans by national banks on forest tracts, earlier Chairman Martin in an appearance before House Banking and Currency Committee had reported against a companion bill H.R. 8230, Board now sees no objection to favorable consideration of S. 2259, letter to Senator Robertson, Chairman of Senate Banking and Currency Committee

Silver:

Proposed draft bill, submitted by the Treasury, to repeal certain legislation relating to purchase of, authorizing FRBanks to issue FRNotes of $1 denomination, and terminating special tax on transfers of interests in silver bullion, copy of Board's previous views on S. 2885 also applicable to proposed draft, sent to Bureau of the Budget

S. 731, a bill to repeal certain legislation relating to purchase of silver to authorize FRBanks to issue FRNotes in $1 denomination and to terminate the special tax on transfers of silver bullion, report sent to Senator Robertson, reference to issuance of FRNotes in $2 denomination
Legislation: (continued)

Silver: (continued)

H.R. 4413, a bill to repeal silver purchase laws and provide for replacement of silver certificates by FRnotes, draft statement for Chairman Martin favoring repeal, issuance of FRnotes in $1 denomination, recommending that bill cover $2 notes, and no objection in principle to repealing tax transfers of silver bullion, statement to be put in final form satisfactory to Chairman Martin, with Governor Mills dissenting from the position expressed

Reference to possible effect on float, single issue of FRnotes and destruction of FRnotes

H.R. 5389, an enrolled bill to repeal certain legislation relating to the purchase of silver, and for other purposes, report sent to Budget Bureau

State:

Committee of State Officials on suggested State Legislation of the Council of State Governments, request for proposals to be considered by, reply to Bureau of the Budget

Sugar futures:

Commodity Exchange Act, proposed amendment of, to regulate margin requirements on, report to Budget Bureau

Tax transfers of silver bullion, no objection in principle to repealing, opinion indicated in draft statement for Chairman Martin re H.R. 4413

Reasons stated by Governor Mills why there might be more merit in, than he attached to the other provisions of the bill

Truth in lending bill:

SEE: Legislation:

Finance charges
Legislation: (continued)
United States Administrative Court, H.R. 43, a bill to amend Title 28 of the United States Code to provide for, report to Congressman Celler, Chairman of the House Judiciary Committee approved

United States Code:
Title 28, H.R. 43, a bill to amend, to provide for a United States Administrative Court, report to Congressman Celler, Chairman of the House Judiciary Committee approved

Leonard, Robert F., to review Governor Robertson's memorandum proposing changes in procedures for examination of FRBanks, and staff and accounting firms memoranda, with understanding re reimbursement for services on the basis of normal rates for services of consultants

Liberia:
InterAfrica (Liberia) Ltd., Monrovia, Liberia, consent granted to Bankers International Financing Company, Inc., to purchase shares of

Library consultant to National Planning Council of the Government of, no objection to granting a 30-day extension to Jo Ann Aufdenkamp, Librarian, FRBank of Chicago, for leave of absence without pay to finish an assignment with Klein and Saks

Liquidity:
Banking system:
Question re ability to accommodate the present and foreseeable volume of credit demands, topic for discussion with FAC
Considered adequate to accommodate the present and foreseeable volume of credit demands, view expressed at joing meeting with FAC
Question whether banks are sufficiently liquid to meet upsurge in credit demands, topic for discussion with FAC
Liquidity: (continued)

Banking system: (continued)

Question re, topic for discussion with FAC: (continued)

Liquidity declined, but belief that commercial banks are in a position to meet a moderate upsurge in credit demands, views expressed at joint meeting with FAC 9/17 3197

Extension of supervisory authority over liquidity positions of all insured banks and all members of Home Loan Bank System, proposal contained in report of Committee on Financial Institutions, Mr. Solomon designated to attend interagency meeting to prepare draft legislation re

Draft bill (deposit insurance bill) to provide for, discussion, staff to draft report to Budget Bureau 4/26 1347

Report sent to Budget Bureau, Governor Mills dissenting 5/15 1578

Revised draft of bill received, Budget Bureau to be informed Board unable to express views by indicated deadline 5/16 1599, 1627

Draft bill (deposit insurance bill) to provide for, discussion, staff to draft report to Budget Bureau 5/23 1728

Extension of supervisory authority over liquidity positions:

Revised draft of deposit insurance bill would vest authority in the Comptroller of the Currency, Board, and FDIC over classes of banks under their respective supervision, agreed draft of bill acceptable only if modified to omit provisions re liquidity requirements for insured banks, report to Budget Bureau approved, Governor Mills dissenting 5/27 1768, 1780

Further reference to revised draft of deposit insurance bill 6/4 1815

Provisions in previous draft of deposit insurance bill re commercial banks omitted from second revised draft, but members of Home Loan Bank System to be under more restrictive liquidity requirements, formal report on second revised draft bill sent to Budget Bureau, Governor Mills dissenting 6/10 1860, 1874
Litigation:
SEE: Court cases

Loan of employees:
Procedure re submitting requests to Board with respect to, practice of informing the Board after the decision had been reached was not desirable, no objection to be interposed re assignment of Peter P. Lang, Adviser, FRBank of New York, to assist technically the National Bank of the Congo, Republic of the Congo, in initiating a multiple currency system, procedure for future assignments to be discussed with President Hayes

(Individual names):
Dembitz, Lewis N., Associate Adviser, Division of Research and Statistics, request from Agency for International Development, State Department, for reimbursable detail of, to accompany mission to Brazil and to make certain recommendations, approved

Goodfellow, Allen F., Examiner, FRBank of San Francisco, arrangements for assignment to Board's Division of Examinations for approximately three months, with understanding re designation as an FRExaminer, and re salary and travel expenses, letter to FRBank of San Francisco

Gomez, Michael A., Economist, Division of International Finance, to participate in a technical assistance mission to Brazil sponsored by Agency for International Development, on a leave without pay basis, approved

Granted additional leave
Grove, David L., Vice President, FRBank of San Francisco, services to be made available to Bank of Guatemala to assist in revision of banking legislation in Guatemala, no objection by Board, reference to financial arrangements
Loan of employees: (continued)

Hochstatter, Robert J., Examiner, FRBank of Chicago, temporary assignment of Board's Division of Examinations, to be designated as FRExaminer, FRBank of Chicago to absorb salary and travel expenses

Kaufman, Richard, Economist, Division of International Finance, temporary detail to Agency for International Development to assist in study in Viet-Nam approved, with understanding re travel per diem expenditures, and salary

Lang, Peter P., Adviser, FRBank of New York, assigned to assist technically the National Bank of the Congo, Republic of the Congo, in initiating a multiple currency system as requested by the Agency for International Development and the Treasury, noted by Chairman Martin that the practice of informing the Board after the decision had been reached was not desirable, no objection to be interposed by procedure for future assignments to be discussed with President Hayes

Latham, Earle O., First Vice President, FRBank of Boston, to be made available for a technical assistance assignment acting as adviser to The State Bank of Ethiopia for a period not to exceed three months, FRBank to grant leave of absence without pay, any additional expenses to be borne by the State Bank of Ethiopia, Board interposes no objection if Boston Directors approve

McCuen, William J., Jr. FRBank of Philadelphia, assignment to Board's Division of Examinations for approximately three months approved, to be designated as FRExaminer and FRBank of Philadelphia to absorb salary and travel expenses
Loan of employees: (continued)

Reynolds, John E., Chief, Special Studies and Operations Section, Division of International Finance, services to be made available to Budget Bureau to serve as staff director for special committee to review balance of payments statistics of the U.S., arrangement approved on basis of reimbursable detail, advice to Budget Bureau

Letter to Budget Bureau re terms of reimbursable detail

Solomon, Robert, Associate Adviser, Division of Research and Statistics, to be made available to the Council of Economic Advisers to serve as senior economist for a period of one year, staff authorized to work out details on a fully reimbursable basis

Loans:

Bank:

Collateralized by stocks and bonds, survey re:

Report transmitted to Securities and Exchange Commission, reaffirmation of Board's position re extension of authority under Regulation U to include loans for purchasing over-the-counter securities, change in legislation required

Memorandum by Mr. Dembitz presenting four alternative approaches for consideration re broadened statutory authority subjecting both listed and unlisted to margin regulations, views of Board members expressed, understood that the staff would follow Chairman Martin's suggestion to hear the Securities and Exchange Commission's staff rather than initiate proposals
Loans: (continued)
Bank: (continued)
Collateralized by stocks and bonds, survey re: (continued)
Request from Securities and Exchange Commission for data re, for publication in report of Special Study of the Securities market, agreed to furnish edited data for publication as requested
Chapter in report of Securities and Exchange Commission on Special Study of Securities Markets re, on which Board's staff cooperated, discussion re possible implications of Board's connection with chapter, proposed method of publication by SEC approved, letter sent to SEC
Demand for, in various loan categories, question re prospects during the next several months, topic for discussion with FAC
Moderate increase anticipated during the next several months, with some increase likely in the durable goods sector, views expressed at joint meeting with FAC
Demand for, prospects during next several months, topic for discussion with FAC
Anticipated expansion in the economy will be reflected in a rise in overall credit demands of business, but the large volume of corporations cash flows is likely to moderate the demand for commercial loans from banks, views of FAC expressed at joint meeting
Survey re bank loans to foreigners, anticipated in connection with proposed interest equalization tax now pending in Congress, there was indication that the Treasury might ask the Board to conduct a, understood staff would consider matter further and undertake preparatory work
Loans: (continued)

Business:

Interest rates on, proposed survey of insured commercial banks re, letter from Chairman Patman of the House Banking and Currency Committee requesting suggestions on form and content of the enclosed draft questionnaire re, and inquiring re Board's willingness to handle collection and tabulation of, questionnaire transmitted to FRBanks, understood that further consideration would follow receipt of comments from the FRBanks.

Question whether business needs for bank financing will continue moderate over the balance of the year or are there signs of a significant increase in, topic for discussion with FAC

No strong upward thrust visualized, although a general movement upward expected.

Question whether commercial banks have recently become more selective in granting business or consumer loans, topic for discussion with FAC

FAC believes that commercial banks have become more selective in granting business and consumer loans in recent months as reserve position of banks has become less easy.

Commercial and industrial loans by industry:

Revision of form F.R. 416a for reporting of bankers' acceptances by, recommendations by the System Research Advisory Committee and its Subcommittee approved, advice to Presidents of FRBanks.
Loans: (continued)

Executive officers of member banks:

Program of split-dollar life insurance for bank managerial employees, question from FRBank of Dallas and other FRBanks as to whether this program would result in the executive officer being indebted to his bank in excess of $2500, which is prohibited by sec. 22(g) of FRAct and Regulation O, Board's view is that since obligation to make payment to bank runs to insurance company and not executive officer, no violation is involved, copies of letter to all FRBanks

Executive officers of national banks:

Paragraph referring to extensions of credit and loans to deleted from proposed new Regulation M relating to powers of foreign branches of national banks

Revised draft of deposit insurance bill, now containing proposals re, in connection with conflict of interest provisions, re limitations and reporting of such loans, possible change in sec. 22(g), FRAct, re permitting Comptroller of the Currency rather than the Board to define terms and issue regulations re, understanding re transmitting views to Treasury and the Budget Bureau

Formal report on second revised draft of Deposit Insurance Bill sent to Budget Bureau, Governor Mills dissenting

Foreign branches, loans or extensions of credit for housing, agreed there should be a provision in the revised Regulation M, granting extension of credit up to an individual limit of $20,000

Memorandum to be distributed on interpretation by Comptroller of the Currency of Section 5200 of Revised Statutes relating to loans to
Loans: (continued)

Forest tracts:

Draft bill to further amend section 24 of the FRAct to liberalize the conditions of loans by national banks on, report to Bureau of the Budget approved

Memorandum re views of the Comptroller of the Currency with respect to, question within the Board re proposal but majority would not be prepared to oppose the measure vigorously, Chairman Martin to convey opinion to the Treasury

H.R. 8230, a bill to authorize national banks to lend more liberally on, position at forthcoming hearings before House Banking and Currency Committee re, to be discussed further tomorrow

Board would not recommend favorable action on, unless further need revealed, understood testimony to be presented September 24, 1963, by Chairman Martin would be presented in manner consistent with Board discussions and satisfactory to the Chairman

Governor Mills raised a question re tenor of testimony to be given tomorrow on, Chairman Martin described Board's position which had been agreed to earlier

Draft of report re, prepared by the staff with cooperation of the FRBanks and 100 commercial banks in connection with the study Chairman Martin promised to give House Banking and Currency Committee on, understood that the report would be submitted in final form satisfactory to Chairman Martin

S. 2259, a bill to amend section 24 of FRAct to liberalize conditions of loans by national banks on, favorable report to Senator Robertson of the Banking and Currency Committee
Loans: (continued)

Gold, Governor Mills referred to procedure followed in handling and approval of, no change suggested 10/16 3562

Indian revolving loan fund, draft bill to amend the law establishing an, proposed by Department of Interior, report sent to Budget Bureau 2/26 683, 693

Indians and Indian organizations:
Draft bill proposed by Department of the Interior to provide for guaranty and insurance of, letter to, indicating no comments 10/4 3435, 3440

Limitation on the maximum liability of a single borrower to a national bank:
Draft bill to increase, by amending section 5200 of the Revised Statutes, question re manner of expressing Board's opposition to the proposal, revised draft of report to Budget Bureau to be prepared 7/3 2192

Board not in favor of liberalization of the law, report sent to Budget Bureau 7/10 2219, 2249

H.R. 8247, a bill to raise the limit on loans from 10 to 20 per cent of the Bank's capital and surplus, views stated, position at forthcoming hearing to be discussed further tomorrow 9/18 3215, 3226-29

Board opposed to, understood testimony to be prepared in a manner consistent with Board discussions and satisfactory to Chairman Martin, to be presented September 24, 1963 9/19 3243, 3245

Governor Mills raised a question re tenor of testimony to be given tomorrow, Chairman Martin described Board's position which had been agreed to earlier 9/23 3281

Real estate:
Draft bill by the Treasury to amend section 24, of the FRAct, to permit national banks to make real estate loans up to 80% of the appraised value and for a term up to 30 years, unfavorable report to Bureau of the Budget approved 5/17 1633, 1639
Loans: (continued)

Real estate: (continued)

H.R. 7878, a bill to raise limits on conventional real estate loans by national banks, position at forthcoming hearing before House Banking and Currency Committee re, to be discussed further tomorrow.

Board opposed to, understood testimony to be presented Sept. 24, 1963, by Chairman Martin would be presented in manner consistent with Board discussions and satisfactory to Chairman Martin.

Governor Mills raised question re tenor of testimony to be given tomorrow, Chairman Martin described Board's position which had been agreed to earlier.

V-loans, in report of examination of FRBank of Boston, it was noted there were four outstanding loans as to which guaranteed portions had been purchased by the Bank, question whether situation reflected adversely on credit judgment of the FRBank of Boston.

(Individual banks):

Banco Central de Costa Rica, telegram to FRBank of New York approving gold loan to, understood usual participation will be offered to other FRBanks, Governor Mills' views on handling and approval of applications for gold loans.

Banco de la Republica de Colombia:

Application to FRBank of New York for 180-day loan on gold, understood Board would approve loan when presented formally.

Loan on 90-day maturity authorized by directors, FRBank of New York, and approved by Board.

Application to FRBank of New York for 180-day loan on gold, agreed to approve when matter was presented formally.

Telegram to FRBank of New York approving loan.
Loans: (continued)

Bank for International Settlements, extension of arrangement to make loans on gold to, advice to FRBank of New York, understood usual participation offered to other FRBanks

Location of banks:

American Bank of Sarasota, Florida, to be located at 3800 South Tamiami Trail instead of 6700 South Tamiami Trail, noted without objection

Banco Hipotecario Lar Brasileiro, S.A., Rio de Janeiro, Brazil, consent granted to proposed changes in location of branches, advice to Chase Manhattan Overseas Banking Corporation

Banco Lar Brasileiro, S.A. (Banco Lar), Rio de Janeiro, Brazil, Board granted consent to Chase Manhattan Overseas Banking Corporation, New York, New York, to change location of Brasilia Branch of Proposal to move its Sao Paulo quarters from Rua Alvares Penteado No. 143 to Rua Alvares Penteado No. 131 and Rua da Quitanda No. 78, Sao Paulo

Banco Mercantil y Agricola, Caracas, Venezuela, consent granted to Chase Manhattan Overseas Banking Corporation, New York, New York, to change location of, to new quarters in a shopping center located near intersection of Avenue Caracas and Avenue La Estrella

Banco of Dearborn, Michigan, removal of office from 12701 West Warren Avenue to a location in the vicinity of the intersection of Michigan Avenue and Outer Drive, establishment of a branch at the former location approved

Buffalo Bank, Buffalo, West Virginia, investment in bank premises in connection with bank's relocation of its head office from Buffalo to Eleanor, West Virginia, approved
Location of banks: (continued)

Fidelity-Philadelphia Trust Company, Philadelphia, Pa., relocation of a branch from Lafayette Building to Rohm and Haas Building, Philadelphia, approved, with certain understanding 7/16 2288, 2313

Hightstown Trust Company, East Windsor Township, New Jersey, establishment of a branch at 114 Main Street, Hightstown, concurrent with removal of head office to location in vicinity of intersection of Hightstown-Princeton Road, and U.S. Route 130 in East Windsor Township, and abandonment of branch operations at that location, approved 6/19 1972, 1978

State Street Bank and Trust Company, Boston, Massachusetts, relocation of its main office at 225 Franklin Street, concurrently with the establishment of a branch bank at its former location, approved 10/24 3640, 3653

Long, Edward V., Senator:
Administrative proceedings of Board for fiscal year 1963, reporting forms showing statistical data re, sent upon request to, Chairman of Subcommittee on Administrative Practice and Procedure, of Senate Judiciary Committee 12/2 4160, 4183

Luncheons:
American Bankers Association, luncheon authorized for officers and executive committee members of National and State Bank Divisions of, to be held December 16, 1963, in the Board's building 10/23 3615

Banking groups, State banker and similar groups, practice of providing luncheons on the occasion of their visits to be continued during the early part of 1963, recommendation approved 1/9 74
Luncheons: (continued)

Center for Latin American Monetary Studies, understanding re cost of luncheon for trainees of, during annual visit to Board's offices 7/19 2362

Cosmos Club, costs of a dinner and a luncheon in connection with a meeting of representatives of the Bank of England, the British Treasury, and the International Monetary Fund with representatives of the Board, the U.S. Treasury, and the FRBank of New York, approved, Mr. Ralph Young acting as host 2/5 447

Directors Day, March 20-21, 1963, program discussed including occasions for the visiting directors to meet members of the Board, one occasion involving a luncheon in the Federal Reserve Building 3/11 855

Economic Development Institute of the International Bank for Reconstruction and Development to visit the Board's offices on December 13, 1963, program to include a luncheon in the staff dining room 12/9 4264

Insurance investment officers, luncheon to be included in program for, on visit to Board April 18, 1963, approval 2/13 544

International Bank for Reconstruction and Development and International Monetary Fund, luncheons for central bankers attending annual meetings of, approved 8/21 2837

Mr. Sherman reported on arrangements for State banker and similar groups, practice of providing luncheons on the occasion of their visits to be continued during the early part of 1963, recommendation approved 9/26 3344

Luxembourg:

European Enterprises Development Company, a corporation to be incorporated under the laws of the Grand Duchy of, but with principal office in Paris, France, permission granted to Morgan Guaranty International Investment Corp., N.Y., N.Y. to purchase and hold ordinary shares of 12/9 4246, 4268
Luxembourg: (continued)

European Enterprises Development Company: (continued)
Permission granted to Continental International Finance Corporation, Chicago, Illinois, to purchase and hold shares of 12/9 4246, 4269

"M"

Mailing list:
Christmas greeting cards, staff authorized to arrange for, to be sent to heads of foreign central banks, FRBank directors, and other appropriate parties, design of card to recognize 50th anniversary of signing of FRAct, action contemplated such expenditure as might be necessary to obtain and send an appropriate number of such cards

Malaya, Federation of:
Malayan Industrial Development Finance Limited, Kuala Lumpur, Federation of Malaya:
Permission granted to Manufacturers Hanover International Finance Corporation, New York, New York, to purchase stock of 7/8 2204, 2212

Permission granted to Bank of America, New York, New York, to purchase shares of 8/16 2725, 2742

Permission granted to Bankers International Financing Company, Inc., New York, New York, to purchase shares of 8/16 2725, 2743

Permission granted to Morgan Guaranty International Finance Corporation, New York, New York, to purchase shares of 8/16 2725, 2744

South East Asia Development Corporation Limited, Kuala Lumpur, Federation of Malaya:
Permission granted to Manufacturers Hanover International Banking Corporation, New York, New York, to purchase stock of 5/13 1536, 1545

Permission granted to First Chicago International Finance Corporation, Chicago, Illinois, to purchase shares of 9/6 3058, 3067
Manuals:
Comptroller of the Currency, Comptroller's Manuals for National Banks and Comptroller's Manual for Representatives in Trusts, prices at $50 per copy for most parties other than National Banks, Board approved unanimously action recommended by Division of Examinations to reproduce manuals at Board for System use

Inquiry from, re understanding that copies of Comptroller's Manual for National Banks and Manual for Representatives in Trusts had been reprinted by Board, understood that verification would be made to Comptroller that Manual had been reproduced for use at Board and FRBanks

Margin:
Regulations of, question re broadened statutory authority covering all loans collateralized by both listed and unlisted securities despite the purpose of such to be considered further, staff to prepare a memorandum for Board consideration

Memorandum by Mr. Dembitz presenting four alternative approaches for consideration re broadened statutory authority subjecting all loans collateralized by both listed and unlisted securities to, views of Board members expressed, staff to listen to proposals of staff of Securities and Exchange Commission

Margin accounts:
FRBank employees maintaining, report of a debit balance in a margin account with a stock broker, made by an assistant examiner in the Examination Department of the FRBank of Philadelphia, agreed that a draft letter to the FRBanks re, should be presented to the Board for consideration as promptly as possible

Letter sent to Presidents of all FRBanks
Margin calls:
Loan value of securities used to meet, re transactions executed before change in deposits required by Regulation T, interpretation for publication in Federal Register and for press release

Margin requirements:
Increase in, question re, in light of current rapid rise in stock market credit, no action to be taken at the present time but future developments to be followed closely

Memorandum from Mr. Partee and Mrs. Ulrey, Economists, Division of Research and Statistics re, responsibility of Board under Securities Exchange Act called for review to determine whether tightening in margin requirements was in order, understanding that discussion would continue at tomorrow's meeting

Regulations T and U amended, to increase margin and retention requirements from 50 to 70 percent, press release to be issued, notices to FRBanks, to be published in Federal Register, Governors Mitchell and Robertson dissenting

Loan value of securities used for deposits required by Regulation T to meet margin calls re transactions executed before change in, interpretation for publication in Federal Register and for press release

Sugar futures, proposed amendment of Commodity Exchange Act, to regulate margin requirements on, to protect consumer and producer from extreme price fluctuations, Board's report to Budget Bureau indicated that some form of regulation may be desirable
Maritime Administration:
War risk reinsurance of ships and cargos, proposal that such be furnished under the Merchant Marine Act of 1936, unfavorable report to Budget Bureau

Market structure:
Study of banking market structure, letter to Comptroller of Currency clarifying incorrect understanding that Board was making a nationwide reference to a study by FRBank of Richmond, which may have led to the misunderstanding

Marsh & McLennan, Inc., designated as insurance broker for Board in connection with proposed voluntary, payroll-deduction, employee-pay-all accident insurance program for Board employees

Designation of Bankers Multiple Line Insurance Company as the insuring company for the Board's accident insurance program as recommended by Marsh & McLennan, Inc.

Matheney, Angus O., President, Panama Plumbing and Supply, Inc., Balboa, Canal Zone, legal questions asked by Congressmen Schadeberg on behalf of, in light of suit by First National City Bank of New York, Panama City Branch, re certification of checks drawn on account in overdraft, and re trying cases under the laws of the U.S. or laws of a foreign country, reply approved

McClellan, John L., Senator:
S. 1680, a bill to establish an Office of Consumers within the Federal Government, unfavorable report to, Chm. of the Committee on Government Operations

Meetings:
American Bankers Association, luncheon meeting authorized for officers and executive committee members of National and State Bank Divisions of, to be held December 16, 1963, in the Board building
Meetings: (continued)

Balance of payments, meeting of experts in Paris, March 19-21, 1963, under the auspices of the International Monetary Fund, attendance by Arthur B. Hersey, Adviser, Division of International Finance, authorized

Bank for International Settlements, Basle, Switzerland:

Meeting of central bank economists to be held March 9-11, 1963, attendance by Mr. Noyes, Director of Division of Research and Statistics, approved with the understanding that alternate System representation would include Alan Holmes or George Garvy of the FRBank of New York

Annual meeting held in June at, Governor Robertson's request that Mr. Holland, Adviser in the Division of Research and Statistics accompany him to, including visits to several European central banks, approved, authorization of specific travel expenses subject to Governor Shepardson's approval

Presidents Ellis and Swan of the FRBanks of Boston and San Francisco planning to attend, also visiting several European central banks

Monthly October meeting of, President Irons of FRBank of Dallas to travel to Basle, Switzerland, for, trip noted without objection

Meeting to discuss matters pertaining to Euro-dollar market, November 9-11, 1963, attendance by Messrs. Samuel I. Katz, Associate Adviser, Division of International Finance, Fred Klopstock of FRBank of New York, and David Eastburn of FRBank of Philadelphia
Meetings: (continued)

Bank supervisory and regulatory matters, inter-agency meeting to prepare draft legislation re, as suggested in report of Committee on Financial Institutions, Mr. Solomon designated to attend

Central bank economists to meet in Basle, Switzerland, October 12-14, 1963, Daniel H. Brill, authorized to attend meeting of, theme of meeting will be "Structure and Functioning of Capital Markets in Individual Countries," Mr. Brill to present paper

Directors of FRBanks and branches, Directors Day, March 20-21, 1963, tentative program including a dinner, luncheon, and possibly a buffet breakfast discussed, following favorable comments it was understood that the breakfast would be included

Reactions to the program expressed by directors, Board members, and members of the Board's staff, reviewed by Messrs. Fauver and Morgan, followed by general evaluation to be borne in mind for future programs

Discount officers of FRBanks:

Periodic meetings of, Board favors the recommendation of the System Committee on Eligible Paper re plans for, Board to be represented

Agreement that Mr. Holland, Adviser, Division of Research and Statistics, be designated as Board's regular representatives to discount officers' meetings

Report by Mr. Holland of Board's staff re, agreement with recommendation that discount officers meeting next year deal with means of judging and restraining continuous borrowing
Meetings: (continued)

Economic Commission for Asia and Far East (ECAF)
Working Party on Economic Development and Planning, meeting of, Robert F. Emery, Economist, Division of International Finance authorized to serve as a U.S. representative at, to be held in Bangkok, Thailand, September 16-23, understanding that his travel would be at Board expense 8/9 2663

Economic consultants to Treasury, Governor Mitchell reported informally on recent meeting of 11/13 3931

Economists:
Informal report by Governor Mitchell re meeting at Treasury Department 4/3 1137
Report by Governor Mitchell re recent meeting at Treasury Department of 5/29 1795
Possibility of arranging meeting of outside economists at Board, suggested by Governor Mitchell, staff to consider possibility further and submit recommendation 5/29 1796

Economists, academic:
Professor G. L. Bach agreed to serve as chairman and organizer for Board's seminar with, payment of Professor Bach's travel, telephone, and secretarial expenses, for which provision had not been made in Board's budget, authorized 10/10 3520
Governor Mitchell reported on discussions with Professor Bach re proposed, understood provision for expense to be made in budget of Division of Research and Statistics 11/13 3931
Arrangements for a meeting on January 30, 1964, of, no objection to date indicated, payment of the cost of a dinner to be given by Board authorized 11/18 4026
Budgetary provisions made for meetings with Board during 1964, approved 12/9 4252, 4274
Meetings: (continued)

Economists, academic: (continued)

Appointment of George Leland Bach, currently "Visiting Ford Research Professor of Economics," to organize the consultant group of academic economists who will meet with the Board in proposed three one-day meetings during 1964, approved

European Coal and Steel Community, no objection for members of Board to meet with representatives of, to discuss applicability of exemption from interest rate limitations of foreign time deposits, arrangements made to meet on January 24, 1963

Meeting of Board staff members and Mr. Crowley (FRBank of New York) with representatives of, reported by Mr. Hackley

Gold vault facilities at FRBank of New York: Meeting with President Hayes to discuss, to be arranged

Meeting of Messrs. Hayes, Coombs, and Harris with Board to discuss proposed alterations to

House Banking and Currency Committee, arrangements for the meeting of, permitting the new members of the Committee to meet the members of the Board and the FRBank Presidents

International Bank for Reconstruction and Development, and International Monetary Fund, luncheons for central bankers attending annual meetings of, Reserve Bank Presidents in Washington for FOMC meeting would also attend

"Laboratory on Regression" sponsored by the Systems Committee on Computers in Research, dinner meeting for approximately 75 people at the cost of about $530 authorized
Meetings: (continued)

Mercantile Trust Company, St. Louis, Missouri, meeting of President Shuford, Board staff members, and representatives of, to discuss possible violations involving proposed purchase of stock of subsidiary of, and possible illegal operation of branches, reported by Messrs. Hexter and Solomon

NABAC, Association for Bank Audit, Control and Operation, in Minneapolis, Minn., September 15-18, 1963, Messrs. Goodman, James C. Smith, and Schaeffer, all of the Division of Examinations to attend annual meeting of, with understanding that registration fees and similar expenses would be paid by the Board

National Association of Supervisors of State Banks, to meet in Williamsburg, Virginia, October 1-4, 1963, Mr. Frederic Solomon, Director, Division of Examinations and three other officials of the Division to attend meeting

Organization for Economic Cooperation and Development:
SEE: Organization for Economic Cooperation and Development:
Meetings:

Regulation M proposed new regulation re foreign branches of national banks, agreement re meeting with representatives of four national banks having overseas branches for presentation of their views with respect to

Reference to meeting on April 9, 1963, with representatives of national banks

Retail trade statistics, Committee of Five, summary of meeting of January 17, 1963, presented by Mr. Sherman
Meetings: (continued)

Retirement system, meeting of Board with Professor McGill to discuss his report "Mortality and Interest Assumptions for the Retirement System of the FRBanks", consensus that the Secretary arrange for, Mr. Buck, the actuary, to attend.

Meeting with Professor McGill scheduled at 9:30 a.m. January 24, 1963

Comments and discussion re, memorandum placed in files

Agreed that meeting with Professor Dan M. McGill, Consultant, and Mr. George B. Buck, Actuary of, be arranged with Board for Sept. 24, 1963, understood that if Governor Mitchell was not able to attend, he would consider submitting questions that could be answered on his behalf.

Revenue bond financing by commercial banks, meeting with proponents of, headed by Hardin Hawes, officer of Harris Trust and Savings Bank, Chicago, Illinois, understanding re

Letter to Comptroller of the Currency by Harris Trust and Savings Bank of Chicago, discussed prior to afternoon meeting

Messrs. Hawes, Perkins, Leach and Pfeffer met with Board to present views in favor of S. 828, a bill to grant national and State member banks limited authority to underwrite revenue bonds

Savings deposits:

Interagency conference of the Federal bank supervisory agencies to be arranged to evaluate and study recommendations by the New Jersey Bankers Association, adopted in resolution form by the FDIC with respect to

Report by Mr. Hackley re
Meetings: (continued)

Securities Exchange Act:
Meeting of technically qualified representatives of interested agencies, arranged by the Bureau of the Budget to discuss proposed extension of, Messrs. Hexter and Dembitz to attend

Statistics of Financial Assets and Liabilities, Working Group on, of Conference of European Statisticians, to be held in Geneva, Switzerland, Mr. Stephen Taylor authorized to attend

Technicians of Central Banks of the American Continent:
Seventh meeting in Rio de Janeiro, Brazil, October 14, 1963, letter to Bank of Brazil and Superintendency of Money and Credit accepting invitation for FRSSystem representation, Robert L. Sammons designated to serve as technical secretary of the System's delegation whose names will be furnished later

System personnel attending: Guy E. Noyes, as head of the delegation, David Grove, Vice President, FRSBank of San Francisco, Frank Schiff, Miss Madeline McWhinney, and Scott Pardee, FRSBank of New York, and Robert L. Sammons, Reed J. Irvine, and Ralph A. Young, of the Board's staff, Governor Mitchell may attend as an observer, authorization re travel and per diem for members of the Board's staff, with representation allowance not to exceed $500

Governor Mitchell authorized to discuss format with Mr. Javier Marquez, Director of Center for Latin American Monetary Studies, who would be in Washington soon, understood matter of making trip would be brought back to Board for further consideration
Meetings: (continued)
Technicians of Central Banks of the American Continent: (continued)
Seventh meeting in Rio de Janeiro, Brazil: (continued)
Approval of unbudgeted expenditure for charts and color film transparencies to be used by Board's staff members attending

Warren Bank, Warren, Michigan, arrangements for meeting of representatives of, with Division of Examinations representatives, to be made in light of questions re bank's capital and asset condition in consideration of application for establishment of an in-town branch

Application approved in light of outcome of meeting and attitude toward capital position

Window dressing by commercial banks:
Suggestion that joint meetings be held by representatives of FRBanks, regional representatives of Comptroller's office, and FDIC, after which, meetings with individual banks engaged in, might be set up
Letter to FDIC expressing appreciation for willingness to have its Supervisory Examiners join FRBanks in meetings with commercial banks re practice of window dressing, letter to Comptroller of the Currency noting his views, agreed that letter to FRBanks not be sent until FDIC replied re willingness to proceed without participation of Comptroller of the Currency

Letter sent to Presidents of FRBanks on November 21, 1963, re window dressing and meetings to be held re

Member banks:
Classification for purpose of electing Class A and B Directors:
Question re changing, particularly the formula for Group 1 banks, agreed no action should be taken at this time
Member banks: (continued)

Classification for purpose of electing Class A and B Directors: (continued)

Change for Eleventh District approved 5/15 1578, 1588
Change for Tenth District approved 6/21 2028, 2040
Change for Fifth District approved 8/2 2557, 2564
Change for Second District approved, Governor Robertson dissenting for reasons indicated 8/29 2953, 2972

Board agrees with opinion of FRBank of St. Louis that no change in existing classification is necessary at this time in Eighth District 9/6 3058, 3068

Reserves, deficiencies in, discussion re frequent deficiencies in required reserves of member banks and fact that under Paragraph C of Board's letter S-1123 resulting penalties are often waived, brought out in discussion of examination report of FRBank of Chicago, FRBank of Atlanta also concerned about, Chairman Martin suggested memorandum be prepared on subject preparatory to thorough review by Board 11/29 4144

Service charges of, question from Chairman Fascell of the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations concerning, further consideration to be given to matter before reply would be made 11/14 3952, 11/18 4020, 4036

Reply to Chairman Fascell approved 11/14 3952

Weekly reporting:

Recommendations of the System Research Advisory Committee and its Subcommittees that, reports on F.R. 416 with a special confidential report, F.R. 416b, be submitted every six months, approved by Board, advice to Presidents of all FRBanks 8/8 2597, 2633

Bankers' acceptances, revision of reporting by, and by banks in the series of commercial and industrial loans by industry re, recommendations by the System Research Advisory Committee, and its Subcommittees approved, advice to Presidents of FRBanks with copies of revised form F.R. 416a 8/8 2597, 2635
Membership in FRSsystem:

Compulsory, section of report of Committee on Financial Institutions dealing with, reference to advantages of, being achieved by all commercial banks being subject to reserve requirements and by membership by State-chartered banks remaining voluntary, problem of nonpar banking discussed

Condition No. 1:

Procedure for handling requests by State member banks under:

Letter sent to FRRBank of Chicago, with understanding that similar letter to be sent to Presidents of all FRBanks, reference to certain agency functions and fiduciary duties

Letter to FRBanks supplementing Board's previous instructions

First Trust Company, St. Joseph, Missouri, granted permission to engage in a general commercial banking business under

Conditions:

Bank of Rangely, Colorado, application for membership in FRSsystem approved subject to Condition No. 3 stating amount of capital stock required

New Jersey Bank and Trust Company, Clifton, New Jersey, extension of time to comply with membership Condition No. 3 indicating disposal of all corporate stocks owned at the time of admission to membership

Sumiton Bank, Sumiton, Alabama, application for membership approved, subject to Condition No. 3, re capital stock and capital funds at time of admission to membership

Valley Bank of Nevada, Reno, Nevada, application for, approved, effective if and when bank opens for business under appropriate State authorization, subject to Condition No. 3 re capital stock
Membership in FRSystem: (continued)
Conditions: (continued)

Yellowstone Bank, Absarokee, Montana, application for membership approved, subject to Condition No. 3 re amount of paid-in and unimpaired capital stock and other capital funds 6/20 1993, 2020

Form K. 2, Board agreed to institute expansion of, to include release of receipt and action on applications for, Governor Mills' reservations noted 8/22 2857

Letter of advice to FRBanks re procedure Board had decided to follow concerning K. 2 release 9/27 3374, 3394

Procedures of Board for processing applications for, particularly in relation to recent experience in 10th Congressional District of Virginia, letter sent to Chairman Robertson, Senate Banking and Currency Committee in reply to request for procedures re granting charters to State banks 7/10 2219, 2245

Regulation H:
Amendment proposed, to conform with proposed revision of Regulation M, memorandum from Messrs. Shay, Goodman, Furth, and Doyle submitting a re-draft of Regulation M and 6/26 2102

Amendment to, adopted to conform with the revision of Regulation M, Governor Mills dissenting 8/8 2529, 2549

Voluntary, for State-chartered banks, section of report of Committee on Financial Institutions dealing with, advantages of, referred to 3/11 847

(Individual banks):
American Bank of Sarasota, Florida, granted 90 day extension of time within which to accomplish 2/26 683, 688

(The title changed from Peoples Bank of Sarasota, Florida -- see Records)

Bank of Rangley, Colorado, application for membership in FRSystem approved subject to Condition No. 3, stating amount of capital stock required 4/19 1262, 1288
Membership in FRSystem: (continued)

Citizens State Bank of Albuquerque, New Mexico, application for membership in FRSystem approved

Farmers & Merchants Bank, Aberdeen, South Dakota, application approved

Farmers & Merchants Bank of Craig County, New Castle, Virginia, application for membership in FRSystem approved

New Jersey Bank and Trust Company, Clifton, New Jersey, extension of time to comply with membership Condition No. 3 indicating disposal of all corporate stocks owned at the time of admission to membership

Northwestern State Bank, Chippewa Falls, Wisconsin, application approved

Sumiton Bank, Sumiton, Alabama, application for membership approved, subject to Condition No. 3, re capital stock and funds

Granted extension of time to accomplish membership in FRSystem

Valley Bank of Nevada, Reno, Nevada, application for, approved, effective if and when bank opens for business under appropriate State authorization, subject to numbered conditions

Yellowstone Bank, Absarokee, Montana, application for, denial recommended by Division of Examinations, agreed to defer action for further discussion and subsequent information or developments

Application approved, following discussion and review of statistical data, with Condition No. 3, re amount of paid-in and unimpaired capital stock and other capital funds

Mercantile Mortgage Company:

Corporation engaged in the origination and servicing of mortgages, plans of Mercantile Trust Company, St. Louis, Mo., to acquire, through its wholly-owned subsidiary, Mississippi Valley Co., reported informally to FRBank of St. Louis, Mr. Shuford to be requested to furnish Board with additional information
Mercantile Mortgage Company: (continued)

Plans of Mercantile Trust Company, St. Louis, Mo.: (continued)

Indication of serious legal questions with respect to, agreed with Mr. Hexter's memorandum that the proposed transactions be given further study by the Reserve Bank and the Board's staff

Considered in violation of section 9, FRAct, and sections 5136 and 5155, Revised Statutes, advice to Mercantile Trust Company

Further discussion

Letter to Mercantile Trust Company requesting information re steps taken to correct proposed operation of offices of, by Mississippi Valley Company, in light of Board's position re violation

Letter to Mercantile Trust Company requesting additional information re, letter to FRBank of St. Louis stating that Bank may obtain information from Mercantile Trust Company along lines described in August 23 memorandum from Bank's counsel

Merchant Marine Act of 1936:

War risk reinsurance of ships and cargos, proposal that Maritime Administration furnish, view that best interests of the Government would not be served by the proposal, advice to Budget Bureau

Mexico:

Credito Bursatil, S.A., Mexico, D.F., Mexico, consent granted to Morgan Guaranty International Banking Corporation, New York, New York, to purchase additional stock of

Michigan State Bank Commissioner:

Industrial State Bank, Kalamazoo, Michigan, position and views re application to establish a branch in Kalamazoo, in light of branches of certain national banks
Michigan State Bank Commissioner: (continued)
Old Kent Bank and Trust Company, Grand Rapids, Michigan, proposed consolidation with Community State Bank, Grandville, Michigan, request by Mr. Slay, for certain reports on competitive factors submitted to the Board, agreed to furnish if originating agency had no objections, Governor Mills dissenting

Michigan State Banking Department:
Warren Bank, Warren, Michigan, application to establish an in-town branch, approval recommended by FRBank of Chicago and the Division of Examinations recommended denial due to inadequate capital and unsatisfactory asset condition, understood that the staff would contact State Banking Commissioner Slay re circumstances leading to approval

Results of telephone conversation with, reported by Division of Examinations, arrangements to be made for meeting of applicant bank

Application approved in light of outcome of meeting and attitude toward capital position

Michigan, University of:
Survey Research Center:
Consumer finance survey, continuance of second phase obtaining from Census Bureau information on changes in financial position by interviewing participants of first phase, costs to include questions on liquidity by, in its annual report re, approved

Consumer credit program, costs for contractual professional services, including studies and continuing program of data collection by Census Bureau, annual data from Michigan Survey Research Center and quarterly listings of new companies supplied by Bureau of Old Age and Survivors Insurance of HEW, approved
Midwestern Financial Corporation, Denver, Colorado, inquiry from, re status of industrial banks under Bank Holding Company Act of 1956, suggestion interpretation be sent to

Military service: Evans, Charles E., Operator, Duplicating Devices, Division of Administrative Services, granted military leave for a two-year tour of military duty

Noory, George G., Assistant Review Examiner, Division of Examinations, "Certificate of Availability of Federal Employee" for entry on active duty if ordered to active military service in U.S. Air Force executed for, with certain understanding

Thomasson, Bernard A., Operator-Tabulating Equipment, Division of Data Processing, granted military leave for a two-year tour of duty

Minnesota banks: Sherman Act violations, complaint filed by Justice Department against, re conspiring to fix interest rates on loans, to fix amounts of rebates, absorbing losses in sale of Government securities, absorbing exchange charges, and furnishing supplies to correspondent banks free of charge, agreed that members of Board's staff meet with Justice Department to discuss proposed consent decree re

Minnesota, University of: Faculty member, question re retaining on a part-time basis as Economic Adviser at the FRBank of Minneapolis, no objection in principle by Board if the Bank wished to explore the possibility further

Minutes: Board of Governors: Access to, Professor E.R. Wicker, of Indiana University, Bloomington, Indiana, authorized, from the beginning of the FRSystem to 1936 in connection with his temporary appointment on a contractual basis to review and evaluate the Board's records
Minutes: (continued)

Directors:
FRBank of New York directors' meetings, request by Chairman Patman of the House Banking and Currency Committee for, reported by Chairman Martin and Mr. Sherman, FRBank to consider and contact Board later
Draft letter from FRBank of New York transmitting, concurred in by Board, with question re including statement re concurrence of FOMC
FRBank of San Francisco, copies of minutes of meetings during 1962, as well as minutes of Executive Committee and Audit Review Committee of Bank, sent to Congressman Patman in connection with disappearance of certain Treasury certificates from vault at San Francisco
FRBanks, excerpts of, decision to send to House Banking and Currency Committee in connection with request for all material re examinations of the Reserve Banks
Letters to FRBanks of Boston, Cleveland, Richmond and Chicago re intention to furnish excerpts from minutes of directors' meetings with respect to examinations

Missions:
Brazil, technical assistance sponsored by Agency for International Development, Michael A. Gomez, Economist, Division of International Finance, to participate in, on a leave without pay basis, approved
Granted additional leave to participate in technical assistance mission to Brazil

Mississippi Valley Company a wholly-owned subsidiary of Mercantile Trust Company:

SEE: State member banks:
Merchants Trust Company
Monetary policy:

Article in American Banker of April 23, 1963, reflecting views re, as expressed at recent meeting of FOMC, concern expressed by Governor Robertson

Easing of money, comments by Chairman Martin questioning whether the domestic economy would be stimulated by a further, views expressed at joint meeting of FAC

Questionnaire, 24 questions dealing with general area of, and related matters, from Chairman Patman of the House Banking and Currency Committee, Board to decide whether to join in transmittal of a single reply, understood questions sent to FRBank Presidents also

Letter to Committee Chairman, indicating Board's staff would prepare answers to meet personal views of Board members and FOMC Committee as a whole, approved unanimously

Agreed to submit a joint Board response to Chairman Patman

Board noted joint reply from FRBank Presidents had been completed

System policy in light of current conditions:

Topic for discussion with FAC
Considered generally favorable, being a constructive factor in the domestic economy and at the same time helpful to the balance of payments, views expressed at joint meeting with FAC

Topic for discussion with FAC
Current policy has had favorable impact on economy, but the persistent deficit in balance of payments against the background of a rising level of domestic business activity suggests a gradually more restrictive monetary and credit policy, views of FAC expressed in joint meeting
Monetary policy: (continued)
System policy in light of current conditions: (continued)
Topic for discussion with FAC
Belief that current policy has had a favorable impact on the financial and business community, various problems discussed at joint meeting with FAC

Topic for discussion with FAC
FAC believes that recent monetary policy has been most appropriate and has been helpful to international payments position for U.S., increase in margin requirements on stock purchases was desirable and timely

Money markets:
Canadian and U.S., interrelationships of, decision to establish a working party of senior technicians to examine, U.S. members to include representatives of Treasury Department, FRBank of New York and Mr. Sammons, Adviser in the Board's Division of International Finance, travel authorized for first meeting in Ottawa, October 10-11, 1963, also authorized that Mr. Sammons or substitute make additional trips upon request submitted prior to trip to Board member (presently Governor Shepardson to whom authority is presently delegated for approving)

Mortgages:
Legislation:
S. 810, S. 811, and S. 2130, bills to improve marketability of mortgages not presently underwritten by Federal Government, letter to Senator Robertson of Banking and Currency Committee, Board believes that certain questions arising from these proposals should be carefully considered and resolved before action is taken with respect to any of the three
Mortgages: (continued)
Legislation: (continued)

S. 1200 and S. 2226, bills that would authorize the Federal Housing Administration to compensate mortgagors for structural defects in insured homes, letter to Senator Robertson, Chairman of Banking and Currency Committee, approved, Governor Mills' adverse views on Board's position having been noted

Morton, B. C., Organization, Inc., Boston, Massachusetts, requesting advice as to whether a bank may pay a finder's fee for moneys referred to them by a third party for certificates of deposit, advice to FRBank of Boston

Moss, John E., Congressman:
Information, disclosure of, reply letter to Chairman Moss of Foreign Operations and Government Information Subcommittee of the House Committee on Government Operations, approved, re questionnaire on policies and practices of Federal agencies in gathering and disseminating information for public and Congress

Motion pictures:
FRSystem:

Cost of, noted as factor in increase in FRBank budgeted expenses in this budget period (last half 1963)

Prints (two) sent to each FRBank, additional prints available for sale, Board agreed to view film

Viewed by Board members and Messrs. Sherman, Molony, Fauver, and Hackley, plans to use film in public and private showings noted without objection, copy to be sent to Bank of England, letter re use of film sent to Chairman of the Presidents' Conference with copies sent to Presidents of all FRBanks
Motion pictures: (continued)
FRSystem: (continued)

Understood Board would have no objection to copy of FRSystem motion picture being made available, upon request, to Center for Latin American Monetary Studies.

Board authorized necessary expenditure to complete Spanish sound track, including corresponding increase in 1963 budget of Board Members' Offices, understanding copy would be presented to Center for Latin American Monetary Studies.

Thomas Craven Film Corporation requested by the Bank of Japan for a copy of the "as produced" script, question re having a Japanese language version made, agreed that Board would purchase a complimentary copy of the film, with English or Spanish sound track, for presentation to foreign central banks that expressed an interest in having a copy.

Multer, Abraham J., Congressman:
Associated Hospital Service, Philadelphia, Pa., Board's comments on Comptroller's interpretation of Regulation Q re eligibility of, to maintain a savings account, requested by, agreed to send copy of letter to Comptroller re

Hearings re bills to establish a Federal Banking Commission and a Federal Deposit and Savings Insurance Board, being held by the Subcommittee on Bank Supervision and Insurance, on May 8, testimony invited by, agreed that Chairman Martin and Governors Mills, Robertson, and Mitchell would testify, each on a personal basis.

Decided later to report by letter on the bill to establish a Federal Deposit and Savings Insurance Board, restricting the testimony to the bill to establish a Federal Banking Commission.
Multer, Abraham J., Congressman: (continued)

H.R. 729, a bill to establish a Federal Deposit and Savings Insurance Board, draft letter expressing views of the Board as a whole re, to be prepared for consideration and transmission to, Chairman of the Subcommittee on Bank Supervision and Insurance, prior to testimony on May 8, by four Board members, each testifying on a personal basis

Letter to Congressman Multer opposing proposed legislation approved

Mutilation of plates, signatures of FRBank officers for signing checks drawn as fiscal agents designation of John Baird, Division of Bank Operations, as principle witness, and Dorothy Werner, Division of Bank Operations, as alternate witness approved

Mutual savings banks: Federal charters for, favored in draft report of the Committee on Financial Institutions, views and previous position taken by the Board re proposed legislation permitting, discussed in light of Chairman Martin's position with respect to items covered in the report

S. 607 and H.R. 258, identical bills to authorize the establishment of federal, similar letters to Chairmen Robertson and Patman of the Banking and Currency Committees of the Senate and House, transmitting an appraisal of, approved

Mysterious disappearance:
FRBank of Richmond, disappearance of Treasury certificates:

SEE: FRBank of Richmond:
Disappearance of Treasury certificates

FRBank of San Francisco, disappearance of Treasury certificates:

SEE: FRBank of San Francisco:
Disappearance of Treasury certificates
NABAC:  
Meeting, Association for Bank Audit, Control and Operation, in Minneapolis, Minnesota, September 15 to 18, 1963, Messrs. Goodman, James C. Smith, and Schaeffer, all of the Division of Examinations, to attend annual meeting of, with the understanding that registration fees and similar expenses would be paid by the Board.

National Archives:  
Destruction of records, submission of request for schedules with respect to certain specified categories of the Board's records, authorized.

National Association of Supervisors of State Banks:  
Annual convention at Williamsburg, Virginia, on October 1 through 4, 1963, permission granted to Frederic Solomon and three other officials of the Division of Examinations to attend, with the understanding that registration fees would be paid by the Board.

National Bank Act:  
Jurisdictional question:  
As to whether Board or the Comptroller of the Currency should interpret provisions of, as they apply to State member banks, raised in connection with possible violation of section 5136, Revised Statutes, by a State member bank involving a transaction re corporate stock of a national bank.

Agreed matter of Board's right to interpret regulations of the Comptroller to be considered further.
Jurisdictional question: (continued)

Whether the Board or the Comptroller of the Currency should interpret provisions of: (continued)

Agreed to send letter to Comptroller indicating Board's position, and referring to different interpretations by Board and the Comptroller re eligibility of Associated Hospital Service to maintain a savings account under Regulation Q, copy of letter to be sent to Congressman Multer and to the Federal Reserve Banks

Certain provisions of Federal Reserve Act applicable to matter noted by staff, letter to be considered further

Further discussion indicating provisions of section 2 of the Federal Reserve Act and Regulation D, having a bearing on the Board's right to interpret its own regulations and enforce them in the case of a national bank, letter to Comptroller of the Currency approved

National banks:

Annual meeting date of, letter to the Bureau of Budget recommending approval of S. 2228, a bill to change the requirements for the, by amending section 5145 of the Revised Statutes, the bill would also make a technical conforming amendment to section 5149 of the Revised Statutes

Comptroller of the Currency's Manual for National Banks, priced at $50 per copy for most parties other than national banks, Board approved unanimously action recommended by Division of Examinations to reproduce manuals at Board for System use
National banks: (continued)
Condition reports:
SEE: Condition reports:
National banks
Debentures, issuance of capital, capital notes, or other obligations by, may be included as part of such bank's unimpaired capital surplus funds for the purpose of computing the limit of loans to individual borrowers prescribed by Section 5200, Revised Statutes, as interpreted by the Comptroller of the Currency
Examination reports, State member and, Form F.R. 209, summary of, program to revise and expand, providing supplementary banking data authorized, instructions re preparation transmitted to all Federal Reserve Banks, discussion re curtailed data on national bank form and possible procedure with respect to, agreed not to contact Comptroller of the Currency until results of revised F.R. 209 program became available
Foreign branches:
Establishment of, H.R. 5800, a bill to amend section 25 of the Federal Reserve Act to transfer to the Comptroller of the Currency authority to approve, and to issue regulations concerning their powers, unfavorable report approved for transmittal to Congressman Patman, Chairman of the House Banking and Currency Committee
Regulation M:
Draft of proposed, considered with proposed revision of Regulation K, suggestions that specific powers be indicated and regulation tightened, staff to prepare another draft
National banks: (continued)
Foreign branches: (continued)
Regulation M: (continued)
Draft of proposed revision of Regulation K: (continued)
Approved for publication in the Federal Register
Meeting of representatives of four national banks having overseas branches for presentation of their views with respect to, agreement re
Date of meeting noted
Public Law 87-588, revision of, to carry out purposes of, favored by Federal Advisory Council, comments at joint meeting
Revision of:
Memorandum from Messrs. Shay, Goodman, Furth, and Doyle submitting a redraft reflecting revisions relating to guarantees, acceptances, and investments in securities in light of objections raised by national banks, agreed that clean drafts of both Regulations K and, be prepared and transmitted to supervised institutions, Federal Reserve Banks, and other parties for comment
Memorandum from Legal Division and Division of Examinations with revised draft incorporating changes, agreed that the redrafts of Regulations K and M reflecting today's discussion be sent to the affected supervised institutions, the Federal Reserve Banks, and others for comments, no press release to be issued but copies to be made available upon request
National banks: (continued)
Foreign branches: (continued)
Regulation M: (continued)
Revision of: (continued)

Consideration of comments with respect to, revised Regulation M adopted along with conforming amendment to Regulation H, Governor Mills dissenting, copies sent to the Federal Register and issuance of the press release
In implementation of P.L. 87-588, letter to Comptroller of the Currency discussing fact that revision of Regulation M made it unnecessary for national banks to obtain Board approval before establishing foreign branches and investing in Edge Act Corporations

Income and dividends reports, editing of condition and, for statistical purposes, informally informed that the Office of the Comptroller of the Currency would discontinue, confirmation requested as well as suggestions re possible procedure to maintain statistical quality of combined reports, if confirmed FRBanks to be notified and asked to edit national bank reports on same basis as State member bank reports

Investment in foreign banks, proposed amendment to section 25, FRAct, to apply to Board for permission to acquire and hold directly controlling stock interests in foreign banks, suggested by Board as alternative to accomplish objective of draft bill to amend section 23A, FRAct, to exempt from security requirements under 23A those foreign banks that are controlled by a member bank through its foreign banking corporation, letter to Budget Bureau
National banks: (continued)
Investment securities:

Proposed revision of Comptroller of the Currency's regulation re purchase, sale, underwriting and holding of, by national and State member banks, comments requested from FRBanks to assist in preparing Board's report re, in light of effect on State member banks

Board opposes certain proposal which would in effect permit banks to underwrite and deal in revenue bonds, in contravention of Congressional intent of section 5136, Revised Statutes, letter with memorandum sent to Comptroller of the Currency

Further discussion in light of section 5136 of the Revised Statutes, indicated by Board that revenue bonds issued by State of Washington would not be "general obligations" of the State and not eligible for underwriting by State member banks, advice to Morgan Guaranty Trust Company, New York, New York, with copies to all FRBanks

Question re applicability to State member banks in light of paragraph 7 of section 5136 of the Revised Statutes, as discussed in Legal Division's memorandum, matter to be deferred for further consideration, revision not to be published in FRBulletin

Loans on forest tracts by:
Draft bill to further amend section 24 of the FRAct to liberalize the conditions of, report to Bureau of the Budget approved

Further discussion, memorandum re views of the Comptroller of the Currency with respect to, question within the Board re proposal but majority would not be prepared to oppose, Chairman Martin to convey opinion to the Treasury
National banks: (continued)

Loans on forest tracts by: (continued)

H.R. 8230, a bill to authorize national banks to lend more liberally on forest tracts, position at forthcoming hearings before House Banking and Currency Committee re, to be discussed further tomorrow.

Board would not recommend favorable action unless need for such legislation was revealed, understood testimony to be presented Sept. 24, 1963, by Chairman Martin.

Tenor of testimony questioned by Governor Mills, Board's position described by Chairman Martin.

Draft of report prepared by staff on, with cooperation of FRBanks and 100 commercial banks in connection with study, Chairman Martin promised to give House Banking and Currency Committee report on, understood report would be submitted in final form satisfactory to Chairman Martin.

S. 2259, a bill to amend section 24 of the FRAct to liberalize loans on forest tracts by, earlier Chairman Martin testified before House Banking and Currency Committee against a companion bill, H.R. 8230, after considering S. 2259, Board sees no objection to it, letter to Senator Robertson of Banking and Currency Committee re

Loans to one borrower:

Draft bill to increase limitation on maximum liability of a single borrower, by amending section 5200, Revised Statutes, discussion re effect on State-chartered banks and small banks, question re manner of expressing Board's opposition to proposal, revised draft of report to Budget Bureau to be prepared.

Board not in favor of liberalization of the law, report sent to Budget Bureau.
National banks: (continued)

Loans to one borrower: (continued)

H.R. 8247, a bill to raise limit on loans from 10 to 20 per cent of bank's capital and surplus, views stated, position at forthcoming hearing to be discussed further tomorrow

Board opposed to, understood testimony to be presented September 24, 1963, by Chairman Martin before House Banking and Currency Committee

Governor Mills raised question re tenor of testimony to be given tomorrow, Chairman Martin described position on H.R. 8247, which had been agreed to earlier

Real estate loans by, up to 80 per cent of the appraised value and for a term up to 30 years, Treasury draft bill to amend section 24 of the FRAct, to permit, unfavorable report to Bureau of the Budget approved

Savings deposits:

Interpretation issued by Comptroller of the Currency stating, "a national bank may accept deposits without regard to whether funds deposited are for credit of one or more individuals or of an organization--". Board issued press statement stating that national banks are subject to provisions of section 19 of the FRAct which prohibits such activities as set forth in the Comptroller's interpretation

Trust powers of:

Transfer of Board's records re, to the Comptroller of the Currency, memorandum from Mr. Masters outlining plan for, approved, estimated cost of photostating certain records for Board's files included in memorandum
National banks: (continued)

(Individual banks):

Airline National Bank of Houston, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective as of date bank is admitted to membership under national bank charter as Airline National Bank of Houston

Alamosa National Bank, Alamosa, Colorado, Lawrence and Stegall Ranches, Inc., Phoenix, Arizona, determined not to be a holding company affiliate of, except for purposes of section 23A of the FRAct

American National Bank of Maryland, Silver Spring, Maryland (formerly American National Bank of Silver Spring) granted permission to continue to maintain same reserves as are required to be maintained by banks located outside reserve cities, upon its merger with Canton National Bank of Baltimore and establishing that office as a branch


American National Bank of Silver Spring, Md., proposed merger of Canton National Bank, Baltimore, Maryland, into, report to Comptroller of the Currency on competitive factors approved

American National Bank of South Pasadena, Florida, North American Mortgage Corporation, St. Petersburg, Florida, determined not to be a holding company affiliate of, except for purposes of section 23A
National banks: (continued)

American National Bank and Trust Company of Kalamazoo, Michigan, proposed purchase of assets and assumption of liabilities of The Home Savings Bank of Kalamazoo, Mich., report to Comptroller of the Currency on competitive factors approved

1/30 292

Archer National Bank of Chicago, Illinois, granted permission to carry same reserves as maintained by nonreserve city banks

4/19 1261, 1284

Penalty for deficiency in reserves waived

4/19 1261, 1285

Arlington Heights National Bank of Arlington Heights, Illinois, Franklin Shares Corporation, St. Louis County, Missouri, determined not to be a holding company affiliate of, except for purposes of section 23A

3/28 1047, 1057

Atlantic National Bank of Jacksonville, and Atlantic Trust Company, both of Jacksonville, Florida, application to become a bank holding companies by acquiring shares of common stock of Daytona Atlantic Bank, Daytona Beach, Florida, a proposed new bank, approved

12/4 4204

Issuance of order and statement approving authorized

12/19 4456, 4470-72

Bank of America National Trust and Savings Association, San Francisco, California, representatives of to meet at Board's offices with representatives of three other banks to present views re proposed new Regulation M re powers of national bank branches in foreign countries

3/28 1051

Establishment of a branch in Madrid, Spain, approved with six-month extension per prescribed procedure

5/6 1476, 1492

Establishment of a branch in the City of Bombay, India, approved with six-month extension per prescribed procedure

5/9 1510, 1518
National banks: (continued)

Bank of America National Trust and Savings Association, San Francisco, Calif.: (continued)

Intent to establish an additional branch in Hong Kong noted 10/23 3604, 3619

Establishment of a branch in the City of Panama, Republic of Panama, approved with six-month extension per prescribed procedure 11/26 4095, 4106

Bank of California, N.A., San Francisco, California, proposed merger of Security State Bank of Turlock, California, into, report to the Comptroller of the Currency on the competitive factors approved, attention called to the continuous process of eliminating smaller banks by mergers 10/25 3670


Beverly Hills National Bank, Beverly Hills, Calif., granted permission to carry same reserves as maintained by non-reserve city banks, effective as of date it opened branch in Los Angeles 10/9 3470, 3498

Bexar County National Bank of San Antonio, Texas, permission to maintain same reserves as nonreserve city banks, approved 12/27 4557, 4568

Biglerville National Bank, Biglerville, Penna., proposed merger into Gettysburg National Bank, Gettysburg, Penna., report to Comptroller of the Currency on competitive factors approved 8/1 2528

Birmingham Trust National Bank, Birmingham, Ala., proposed consolidation with Bank for Savings and Trusts, Birmingham, Alabama, report to Comptroller of the Currency on competitive factors approved 8/29 2952
National banks: (continued)

Boulevard National Bank, Denver, Colorado, granted permission to carry same reserves as maintained by nonreserve city banks approved 7/12 2274, 2283


Campbell County Bank, Rustburg, Virginia, proposed merger into Lynchburg National Bank and Trust Company, Lynchburg, Virginia, report to Comptroller of the Currency on competitive factors, approved unanimously 7/29 2497

Canton National Bank, Baltimore, Md., proposed merger into American National Bank of Silver Spring, Md., report to Comptroller of the Currency on competitive factors approved 4/5 1150

Central National Bank of Houston, Texas, Gulf Interstate Company, Houston, Texas, determined not to be a holding company affiliate of, except for purposes of section 23A 6/17 1929, 1941

Citizens Baughman National Bank of Sidney, Ohio, proposed merger of The Shelby County Bank into, report to Comptroller of the Currency on competitive factors approved 3/7 821

Citizens National Bank of Englewood, New Jersey, proposed merger of National County Bank of Closter, New Jersey, into, report to Comptroller of the Currency on competitive factors, approved 7/12 2275

Governor Robertson's views re information supplied for competitive factor reports noted, understood Division of Examinations would study problem 7/12 2276
National banks: (continued)

Citizens National Bank, Los Angeles, California, proposed merger into Crocker-Anglo National Bank, San Francisco, California, report to Comptroller of the Currency on competitive factors approved 6/17 1929

Citizens National Bank of New Philadelphia, Ohio, proposed merger with Reeves Banking and Trust Company, Dover, Ohio, report to FDIC on competitive factors approved 2/4 425


Citizens National Bank and Trust Company, Piqua, Ohio, report to the Comptroller of the Currency on the competitive factors in the proposed mergers of Tipp-Citizens National Bank, Tipp City, Ohio, and Troy Citizens Bank, Troy, Ohio, into, approved 12/4 4203

City National Bank of Austin, Texas, Mark One Corporation, Mineola, Texas, determined not to be a holding company affiliate of, Governor Robertson dissenting, discussion re "one bank rule" 10/9 3481, 3499
National banks: (continued)

City National Bank of Beverly Hills, California, application for continuation of permission to maintain reduced reserves after establishment of another branch in corporate limits of Los Angeles, letter to FRBank of San Francisco requesting more information re activities of, approved

Granted permission to continue to maintain same reserves as are required to be maintained by banks located outside nonreserve cities, upon the opening of its additional branch in City of Los Angeles

City National Bank & Trust Company of Columbus, Ohio, proposed merger of Reynoldsburg Bank, Reynoldsburg, Ohio, into, report to Comptroller of the Currency on competitive factors approved

Supplement to application transmitted by Comptroller of the Currency with request for advice as to whether such information would alter Board's earlier report, Board's previous conclusion reiterated, advice to Comptroller

Proposed merger of Hilliard Bank, Hilliard, Ohio, into, report to Comptroller of the Currency on the competitive factors, approved, Governor Mitchell's reference to Board's order denying BancOhio Corporation's application to acquire Hilliard Bank noted

Proposed merger of Citizens Bank, Westerville, Ohio, into, report of the Comptroller of the Currency on the competitive factors, approved

Civic Plaza National Bank of Kansas City, Missouri, Building Lease Corporation, determined not to be a holding company affiliate of, except for purposes of section 23A
National banks: (continued)

Clermont National Bank, Milford, Ohio, proposal to acquire the assets and assume liability to pay deposits made in The First National Bank of Batavia, Ohio, and The Farmers and Merchants Bank, Williamsburg, Ohio, report to Comptroller of the Currency re competitive factors approved

Codorus National Bank in Jefferson, Codorus, Pa., application of Peoples Bank of Glen Rock, Pennsylvania, to merge with, approved

Issuance of order and statement approving, authorized, office of Codorus National Bank in Jefferson to be operated as a branch of

Commercial National Bank of Dallas, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business

Commercial National Bank of Ithaca, Michigan, proposed consolidation with The Pompeii State Bank, Pompeii, Michigan, report to Comptroller of the Currency re competitive factors approved

Community National Bank of Oak Cliff, Dallas, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business

Continental Illinois National Bank and Trust Company of Chicago, Illinois, representatives of three other banks to present views re proposed new Regulation M dealing with foreign branches of national banks

Establishment of a branch in the West End District of London, England, approved with six-month extension per prescribed procedure
National banks: (continued)
Continental Illinois National Bank and Trust Company of Chicago, Illinois: (continued)

John H. Perkins, Vice President, with representatives from three other banks, met with Board to present views in favor of S. 828, a bill to grant national and State member banks limited authority to underwrite revenue bonds.

Establishment of two branches in Japan to be located at Tokyo Building, 3 Marunoushi 2-chome, Chiyodaku, Tokyo, and 11 Bingomachi 3-chrome, Higashi-ku, Osaka, approved, with six-month extension per prescribed procedure.

Report to FDIC by, approved unanimously, in proposed acquisition of assets and assumption of liabilities of Tokyo and Osaka, Japan, branches of National Hendelsbank, N. V., Amsterdam, the Netherlands.

Crocker-Anglo National Bank, San Francisco, Calif., proposed merger of Citizens National Bank, Los Angeles, California, into, report to Comptroller of the Currency on competitive factors approved unanimously following revision in light of discussion re banking situation in California.

Danvers National Bank, Danvers, Massachusetts, proposed consolidation of, and Security Trust Company, Lynn, Massachusetts, under charter of, report to Comptroller of the Currency approved.

National banks: (continued)

Denver United States National Bank, Denver, Colo.:
Application by Denver U.S. Bancorporation, Inc., Denver, Colorado, to become a bank holding company by acquisition of stock of, order for public hearing issued

Application approved, Governor Robertson dissenting

Order, majority statement and Governor Mitchell's concurring statement and Governor Robertson's dissenting statement authorized

District National Bank of Chicago, Illinois, Bankers Dispatch Corporation, Chicago, Illinois, determined not to be a holding company affiliate of, except for purposes of section 23A, letter to FRB Bank of Chicago requesting further review of the situation and asking that the Board be furnished with a summary of the status of the case each year

Dominion National Bank of Bristol, Virginia, proposed merger into First National Exchange Bank of Virginia, Roanoke, Virginia, report to Comptroller of the Currency on competitive factors approved

East Des Moines National Bank, Des Moines, Iowa, granted permission to maintain same reserves against deposits as are required by nonreserve city banks, effective as of date it opens for business

Everman National Bank of Fort Worth, Texas, granted permission to maintain same reserves as are required to be maintained by nonreserve city banks, effective as of date it opens for business

Exchange National Bank, Winter Haven, Florida, question re deletion of the name of one depositor from a 12-month time certificate of deposit originally issued jointly, would not constitute a violation of Regulation Q, advisable to have consent of both depositors, advice to
National banks: (continued)

Farmers and Manufacturers National Bank of Poughkeepsie, New York, proposed consolidation with Matteawan National Bank, Beacon, New York, report to Comptroller of the Currency on competitive factors approved

Farmers-Matteawan National Bank, proposed consolidation of Matteawan National Bank, Beacon, New York, with Farmers and Manufacturers National Bank of Poughkeepsie, New York, with title of, report to Comptroller of the Currency on competitive factors approved

Farmers and Mechanics-Citizens National Bank of Frederick, Maryland, proposed merger of Walkersville Bank, Walkersville, Maryland, into, report to Comptroller of the Currency on competitive factors approved

Farmers and Merchants National Bank of Matawan, New Jersey, penalty for deficiency in reserves waived

Farmers and Merchants National Bank of Williamsburg, Williamsburg, Pennsylvania, report to the Comptroller of the Currency on the competitive factors in the proposed merger of, into The First National Bank of Claysburg, Pennsylvania, approved

Farmers and Merchants National Bank, Winchester, Virginia, proposed merger of First National Bank of Berryville, Virginia, into, report to Comptroller of the Currency on competitive factors approved

Farmers National Bank of Allentown, New Jersey, proposed merger of Central Jersey Bank and Trust Company, Freehold, New Jersey, and, letter to FDIC re Board's report on competitive factors of November 14, 1962, and indicating there was no justification for change in the conclusion thereof, approved
National banks: (continued)

Farmers National Bank of Annapolis, Maryland, application of Union Trust Company of Maryland, Baltimore, Md., for consent to merge with denied 11/5 3799

Farmers National Bank of Ault, Colorado, Evans Corporation, Ault, Colorado, determined not to be a holding company affiliate of, except for purposes of section 23A of FRAct 7/29 2492, 2503

Farmers National Bank of Sussex, New Jersey: Application of Sussex County Trust Company, Franklin, New Jersey, to merge with, under title of Bank of Sussex County, application approved, Governor Robertson dissenting 5/16 1610

Draft of order and statement reviewed, statement to be redrafted and brought back for consideration 5/27 1767

Issuance of order and majority statement; and dissenting statement of Governor Robertson authorized, with operation of branch at location of Farmers National Bank of Sussex approved 5/29 1794, 1802

Fidelity Bank, Beverly Hills, California, granted permission to maintain same reserves as nonreserve city banks, effective as of the date it opened drive-in branch in Los Angeles, California 10/29 3698, 3703

Fidelity National Bank of Baton Rouge, Louisiana, penalty for deficiency in reserves waived 9/27 3256, 3379

First Agricultural National Bank of Berkshire County, Pittsfield, Massachusetts, proposed consolidation with The National Mahaiwe Bank of Great Barrington, Massachusetts, report to Comptroller of the Currency on competitive factors approved 3/19 940
First Hutchings-Sealy National Bank of Galveston, Texas, request by Sealy & Smith Foundation for The John Sealy Hospital, for redetermination re holding company affiliate status in light of the consolidation of The First National Bank of Galveston and the Hutchings-Sealy National Bank of Galveston, under the title of, determined that 1940 determination not to be a holding company affiliate except for purposes of section 23A remains in force

First Merchants National Bank, Asbury Park, New Jersey: Application of New Jersey Trust Company, Asbury Park, New Jersey, to establish a branch in the Borough of Oceanport, Monmouth County, New Jersey, question re priority in date of filing, understood that action would be deferred pending receipt of additional information

Further discussion re question or priority, application approved

First National Bank of Aberdeen, Maryland, proposed merger into Equitable Trust Company, Baltimore, Maryland report to FDIC on competitive factors approved

First National Bank of Akron, Ohio, proposed merger of Mogadore Savings Bank, Mogadore, Ohio, into, report to Comptroller of the Currency on competitive factors approved

First National Bank of Appalachia, Virginia, proposed merger of First National Bank of Big Stone Gap, Virginia, report to Comptroller of the Currency re competitive factors approved

First National Bank of Appleton, Appleton, Wisc., penalty for deficiency in reserves waived

5/6 1476, 1491

10/21 3587

10/24 3642, 3664

6/20 1992

10/4 3436

1/16 131

10/31 3722, 3726
National banks: (continued)

First National Bank of Baltimore, Maryland, proposal to acquire the assets and assume liabilities of The Pleasantville Bank, Pleasantville, Maryland, report to Comptroller of the Currency re competitive factors approved 7/11 2255

First National Bank of Batavia, Ohio, proposal of Clermont National Bank, Milford, Ohio, to acquire assets and assume liabilities of The Farmers and Merchants Bank, Williamsburg, Ohio, report to Comptroller of the Currency re competitive factors approved 4/19 1263

First National Bank of Berryville, Virginia, proposed merger into Farmers and Merchants National Bank, Winchester, Virginia, report to Comptroller of the Currency re competitive factors approved 7/16 2289

First National Bank of Big Stone Gap, Virginia, proposed merger into The First National Bank of Appalachia, Virginia, report to Comptroller of the Currency re competitive factors approved 1/16 131

First National Bank of Boston, Massachusetts: Representatives of, to meet at Board's offices with representatives of three other banks to present views re proposed new Regulation M re foreign branches of national banks 3/28 1051

Relationship between Baystate Corporation and, noted in connection with application of Norfolk County Trust Company to consolidate with Wellesly Trust Company 4/9 1176

Additional information re relationship presented following vote on Norfolk County's application, Governor Mitchell's vote changed to dissenting vote in light of 4/12 1200
National banks: (continued)

First National Bank of Boston, Mass.: (continued)

Relationship between Baystate Corporation: (continued)

Letter to Mr. Harrison F. Houghton, Senior Economist, House Committee on Banking and Currency, furnishing unpublished information re shares of Baystate Corporation, Boston, Massachusetts, held directly or indirectly by, in a fiduciary capacity

First National Bank of Brewsters, Brewster, N.Y.: Application of County Trust Company, White Plains, New York, to merge with, approved

Issuance of order and statement approving, authorized

First National Bank of Carlisle, Indiana, proposed consolidation by National Bank and Trust Company of South Bend, Indiana, report to Comptroller of Currency on competitive factors approved

First National Bank, Cedar Falls, Iowa, issuance of limited voting permit to Greater Iowa Corporation, Des Moines, Iowa, to vote the stock of, authorized

First National Bank of Chicago, Illinois:

Consent granted by, the sole stockholder of First Chicago International Banking Corporation, to amend Articles of Association of the Corporation to change the home office, and to provide that the Board of Directors shall consist of not less than 5 nor more than 15 members, amendment of Articles approved

Consent granted by, the sole stockholder of First Chicago International Finance Corporation, to amend Articles of Association to provide that the Corporation's Board of Directors shall consist of not less than 5 nor more than 15 members, amendment of Articles approved
National banks: (continued)

First National Bank of Chicago Heights, Illinois, approved appointment of Lawrence C. Andrew, as assistant examiner for the FRBank of Chicago, not to participate in examination of, as long as his mother is employed as bookkeeper by that bank 1/9 74, 79


First National Bank of Claysburg, Pennsylvania, report to the Comptroller of the Currency on the competitive factors in the proposed merger of Farmers and Merchants National Bank of Williamsburg, Pennsylvania, into, approved 12/27 4555

First National Bank of Davenport, Iowa:
Application of Brenton Companies, Inc., Des Moines, Iowa to acquire shares of, a proposed new bank, approved 2/27 699
Issuance of order and statement approving, authorized 3/27 1034, 1040

First National Bank of Dolgeville, New York, proposed merger into Oneida National Bank and Trust Company of Central New York, Utica, New York, report to Comptroller of the Currency re competitive factors discussed, staff to obtain additional information re operations of 1/23 225
Following presentation of additional information and suggested changes, report approved 1/24 238
National banks: (continued)

First National Bank of Farmingdale, New York:
Application to acquire assets of, by First National Bank of Farmingdale, New York, (new bank organized to acquire assets of), possible violation of section 9, paragraph 20, FRAct, and section 5136, Revised Statutes, involving BT New York Corporation, a subsidiary of Bankers Trust Company, letter to Comptroller of the Currency and Bankers Trust Company of New York re Report to Comptroller of the Currency on competitive factors approved reference to study by Board of possible violation of section 9, FRAct and 5136, Revised Statutes, by Bankers Trust Company of New York thru its subsidiary BT New York Corporation
Further discussion, draft of proposed letter to Bankers Trust Company transmitted to Comptroller of the Currency for comment
Further discussion, letter sent to Bankers Trust Company
Application approved, Governor Robertson dissenting
Issuance of order and statement approving, authorized, with operation of a branch approved

First National Bank of Georgetown, Kentucky, proposed merger of Farmers-Deposit Bank of Sadieville, Kentucky, into, report to Comptroller of the Currency on competitive factors approved

First National Bank of Glens Falls, New York, proposed consolidation of First National Bank of Hudson Falls, New York, and, report to Comptroller of the Currency on competitive factors approved
National banks: (continued)

First National Bank of Grand Prairie, Texas, Siwybas, Inc., Grand Prairie, Texas, determined not to be a holding company affiliate of, except for purposes of section 23A of the FRAct

First National Bank of Grants, Grants, New Mexico, General Investment Company of New Mexico, Albuquerque, New Mexico, determined not to be a holding company affiliate of, except for purposes of section 23A, noted that the bank stock was purchased through a loan from another bank, pledging the stock as collateral for the loan, policy re determination of one-bank cases discussed

First National Bank of Greeley, Colorado, and South Platte National Bank, LaSalle, Colorado, question of interlocking directorates, letter to General Counsel of FRBank of Kansas City, agreeing with conclusion that neither LaSalle nor Greeley are adjacent nor contiguous, within meaning of section 8 of the Clayton Act and Regulation L

First National Bank of Heuvelton, New York, proposed merger into The St. Lawrence County National Bank, Canton, New York, report to Comptroller of the Currency on competitive factors approved

First National Bank of Hudson Falls, New York, proposed consolidation of First National Bank of Glens Falls, New York, and report to Comptroller of the Currency on competitive factors approved

First National Bank of La Verne, California, proposed merger into United States National Bank of San Diego, Calif., report to Comptroller of the Currency on competitive factors approved
National banks: (continued)

First National Bank of Levelland, Texas, Witch, Inc., Amarillo, Texas, determined not to be a holding company affiliate of, except for purposes of section 23A

First National Bank of Marion, Iowa, M-V Co., Inc., ("M-V"), Marion, Iowa, determined not to be a holding company affiliate of, except for purposes of section 23A of FRAct

First National Bank of Maryland, Baltimore, Md., proposed merger of Nicodemus National Bank of Hagerstown, Md., into, report to Comptroller of the Currency on competitive factors approved

First National Bank of McAlester, McAlester, Okla., Clear-Vue TV, Inc., Durant, Okla., determined not to be a holding company affiliate of, except for purposes of section 23A of FRAct, noted that the bank stock was purchased through a loan from another bank, pledging the stock as collateral for the loan, policy re determination of one-bank cases discussed


National banks: (continued)

First National Bank of Mount Holly Springs, Pennsylvania, request by Dauphin Deposit Trust Company, Harrisburg, Pennsylvania, for reconsideration and oral presentation re denied application to merge with, denied, with Governor Mills abstaining, advice to Mr. Snyder, of Morgan, Lewis, & Bockius, Attorneys for, suggestion by Governor Mitchell for on-the-spot-study, consensus chat such a study might set a precedent, general agreement that suggestion should be borne in mind for future use

First National Bank, New York, New York, Delmont Pfeffer, Senior Vice President, with representatives from three other banks, met with Board to present views in favor of S. 828, a bill to grant national and State member banks limited authority to underwrite revenue bonds

First National Bank of Oelwein, Iowa, proposed consolidation of State Savings Bank, Westgate, Iowa, by, report to Comptroller of Currency on competitive factors approved

First National Bank of Park Falls, Wisconsin, First National Agency, Inc., Park Falls, Wisconsin, determined not to be a holding company affiliate of, except for purposes of section 23A of FRAct

First National Bank, Port Arthur, Texas, inquiry whether bank could continue to pay present maximum rate of interest on certificate of deposit under a 3-year contract if Board during that period should reduce maximum permissible rate of interest, reply approved
National banks: (continued)

First National Bank of Portland, Maine, proposed merger of Community Trust Company, York, Maine, into, report to Comptroller of the Currency on competitive factors approved

First National Bank of Selins Grove, Selinsgrove, Penna., proposed merger of First National Bank of Middleburg, Penna., into, report to Comptroller of the Currency on competitive factors approved

First National Bank in Sharon, Pennsylvania, proposal by First Seneca Bank and Trust Company, Oil City, Penna., to acquire the assets and assume liabilities of the, report to FDIC on competitive factors approved

First National Bank in Sioux City, Iowa, proposed merger of Woodbury Bank and Trust Company, Sioux City, Iowa, into, report to Comptroller of the Currency on competitive factors approved

First National Bank of South Carolina of Columbia, South Carolina:
Proposed merger of Marlboro Trust Company, Bennettsville, South Carolina, into, report to Comptroller of the Currency on competitive factors approved

Proposed merger of The Edisto Bank, Denmark, South Carolina, into, report to the Comptroller of the Currency on competitive factors approved


First National Bank of Vincentown, New Jersey, proposed merger into Union National Bank and Trust Company at Mount Holly, New Jersey, report to Comptroller of the Currency on competitive factors approved
National banks: (continued)

First National Bank of Wilkes-Barre, Wilkes-Barre, Pennsylvania, report to the Comptroller of the Currency on the competitive factors involved in the proposed purchase of assets and assumption of liabilities of White Haven Savings Bank, White Haven, Pennsylvania, by, approved 12/9 4247

First National Bank in Worthington, Minnesota, question re deposit by a funeral home in a savings account moneys deposited with the home by various individuals to cover the cost of future funeral services, under stated conditions, Board indicated that funds would qualify as a savings deposit under section 217.1(e)(1)(i) of Regulation Q 6/7 1840, 1848

First National Bank of Wyckoff, New Jersey, application of Peoples Trust Company of Bergen County, Hackensack, New Jersey, approved, Governor Robertson dissenting 2/7 485

First National Bank and Trust Company of Cumberland, Maryland, proposed merger of Second National Bank of Cumberland, Maryland, into, report to Comptroller of the Currency on competitive factors approved 1/4 5

First National Bank and Trust Company, Hanover, Pennsylvania, proposed merger with The York Bank and Trust Company, York, Pa., report to FDIC on competitive factors approved 5/24 1753

First National Bank and Trust Company, Helena, Montana:
Application to maintain same reserves as maintained by nonreserve city banks, agreed to request President of FRBank of Minneapolis to ascertain if applicant bank would still be interested in reduced reserves, if it resulted in termination of Helena's designation as reserve city 9/23 3270, 3273
National banks: (continued)

First National Bank and Trust Company of Helena, Montana: (continued)

Application to maintain same reserves as maintained by nonreserve city banks: (continued)

Approved to carry reduced reserves, with the understanding that the designation of Helena as a reserve city would not be terminated.

First National Bank and Trust Company of Oklahoma City, Oklahoma, telegram to Federal Reserve Agent at Kansas City, authorizing issuance of general voting permit to First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma, covering its stock in


First National City Bank, New York, New York:

Proposed merger of First National City Trust Company, New York, New York, into, report to Comptroller of the Currency on competitive factors approved.

Panama City Branch, question re certification of checks drawn on account in overdraft raised by Congressman Schadeberg on behalf of Angus O. Matheney, in light of court case involving, and re trying cases under U.S. laws or laws of a foreign country, reply approved, information sent to Comptroller of the Currency in light of possible violation of section 5208, Revised Statutes.
National banks: (continued)

First National City Bank, New York, N.Y.: (continued)

Extension of time within which to establish a branch in Geneva, Switzerland, granted 2/28 717, 723

Inquiry re eligibility of time deposits of Bank of the Ryukyus for exemption from interest rate limitations, granted certain foreign time deposits, determined deposits in question are not eligible for exemption, advice to FRBank of New York 3/12 878, 883

Establishment of a branch in the City of Amsterdam, The Netherlands, authorized 3/22, 986, 998

Representatives of, to meet at Board's offices with representatives of three other banks to present views re proposed new Regulation M re foreign branches of national banks 3/28 1051

 Establishment of a branch in Hotel Tequendama, Bogota, Colombia, approved, six-month extension approved per prescribed procedure 4/3 1135, 1140

Establishment of a branch in City of San Salvador, El Salvador, Central America, approved, six-month extension approved per prescribed procedure 4/9 1168, 1187

Establishment of a branch in Mexico, D. F., Mexico, to be located in the Vallejo District, approved, six-month extension approved per prescribed procedure 7/25 2435, 2448

Establishment of an additional branch in Buenos Aires, Argentina, to be located in the Liniers Section of Buenos Aires, noted 8/9 2657, 2665

Permission granted to purchase additional stock of International Banking Corporation, New York, New York, which in turn was granted consent to purchase outstanding shares of Mercantile Bank of Canada and Mercantile Trust Company, both of Montreal, Canada, Governor Robertson dissenting on basis of U. S. balance of payments problem 8/29 2957, 2973
National banks: (continued)

First National City Bank, New York, N.Y.: (continued)

Letter to, revising time limit for acquisition by International Banking Corporation (First National City Bank owns stock of IBC) of shares of Mercantile Bank of Canada, Montreal, Canada 9/6 3058, 3064

Question by Governor Mills re ownership of Mercantile Bank of Canada, by IBC and Rotterdamsche Bank N.V., Rotterdam, Netherlands, explained IBC would have voting control of Bank of Canada despite any appearance to contrary 9/6 3058

Establishment of a branch in Taipei, Taiwan, approved, six-month extension approved per prescribed procedure 9/23 3267, 3284

Establishment of a branch in City of Dubai, Trucial State of Dubai, approved, six-month extension per prescribed procedure 9/23 3268, 3285

Board acknowledges receipt of notice of intent to establish three branch banks: (1) Chowringhee area of Calcutta, India; (2) in the vicinity of Pasaje Olaya, Lima, Peru; (3) Concepcion, Chile 11/15 4006

Notice of intent to establish a branch in Causeway Bay area of Hong Kong, Colony of Hong Kong, acknowledged 11/26 4098

Permission granted to establish a branch in Athens, Greece, six-month extension approved per prescribed procedure 12/2 4159, 4175

First National City Trust Company, New York, New York, proposed merger into First National City Bank, New York, New York, report to Comptroller of the Currency on competitive factors approved 1/7 32

First National Exchange Bank of Virginia, Roanoke, Virginia:

Proposed merger of Dominion National Bank of Bristol, Virginia, into, report to Comptroller of the Currency on competitive factors approved 1/25 269
National banks: (continued)

First National Exchange Bank of Virginia, Roanoke, Virginia: (continued)

Proposed merger of First National Farmers Bank of Wytheville, Virginia, into, report to Comptroller of the Currency on competitive factors approved

3/18 901

Proposed merger of Marion National Bank, Marion, Virginia, into, report to Comptroller of the Currency on competitive factors approved

6/11 1884

First National Farmers Bank of Wytheville, Va., proposed merger into First National Exchange Bank of Virginia, Roanoke, Virginia, report to Comptroller of the Currency on competitive factors approved

3/18 901

First National Park Bank, Livingston, Montana, penalty for deficiency in reserves waived

1/22 206, 220

First Security Bank of Idaho, National Association, Boise, Idaho:

Proposed purchase of assets and assumption of liabilities of Weber Bank, Kellogg, Idaho, by, report to Comptroller of the Currency on competitive factors approved

4/29 1379

Proposed merger of First Bank of St. Maries, Idaho, into, report to Comptroller of the Currency on competitive factors approved

5/24 1754

First Union National Bank of North Carolina, Charlotte, North Carolina:

Proposed merger of Bank of Greensboro, North Carolina, into, report to Comptroller of Currency on competitive factors approved

2/20 647

Proposed merger of Scottish Bank, Lumberton, North Carolina, into, report to Comptroller of the Currency on competitive factors approved

8/27 2920
National banks: (continued)

Franklin National Bank, Mineola, New York:
Question re rate of interest payable on 20-year "time savings certificates" issued by, in case of possible future downward revision of the maximum rates provided in Regulation Q, advice to FRBank of New York 4/2 1108, 1125

Suit filed against Bankers Trust Company, New York, New York, in order to prevent the establishment of a branch in Rockville Centre, Nassau County, New York, opinion expressed that institution of the suit in no way blocked Board action on the branch application 8/19 2796


Gettysburg National Bank, Gettysburg, Pa., proposed merger of Biglerville National Bank, Biglerville, Pa., into, report to Comptroller of the Currency on competitive factors approved 8/1 2528

Golden Gate National Bank, San Francisco, Calif.:
Granted permission to carry same reserves as maintained by nonreserve city banks 12/2 4160, 4178

Penalty for deficiency in required reserves, waived 12/27 4557, 4574

Grace National Bank, New York, New York, denied permission to carry same reserves as maintained by nonreserve city banks 8/27 2922, 2943

Groos National Bank of San Antonio, Texas, granted permission to maintain same reserves as maintained by nonreserve city banks 11/14 3947, 3961

Guaranty National Bank of Oklahoma City, Oklahoma, granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business 11/29 4140, 4155
National banks: (continued)

Hallwood National Bank, Hallwood, Virginia:
Application of Bank of Virginia, Richmond, Va., to merge with, approved, Governors Mills and Robertson dissenting
Issuance of order, statement, and dissenting statement authorized

Hillside National Bank of Dallas, Texas, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks

Home National Bank of Brockton, Massachusetts, proposed merger into The Plymouth National Bank, Plymouth, Mass., report to Comptroller of the Currency on competitive factors approved

Howard National Bank and Trust Company of Burlington, Vermont, proposed merger of Essex Trust Company, Essex Junction, Vermont, into, report to Comptroller of the Currency on competitive factors approved

Huntington National Bank of Columbus, Ohio:
Proposed merger of Columbus Savings Bank, Columbus, Ohio, into, report to Comptroller of the Currency on competitive factors approved
Proposed merger of Northern Savings Bank, Columbus, Ohio, into, report to Comptroller of the Currency on competitive factors approved

Idabel National Bank, Idabel, Oklahoma:
Advice to FRAgent of Kansas City indicating to First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma, that general voting permit with reference to, would be withheld pending improvement in condition of bank, in meantime Board would consider issuance of limited voting permits when needed if requested
National banks: (continued)

Idabel National Bank, Idabel, Oklahoma: (continued)
Issuance of limited voting permit to First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma, to vote stock of, authorized

Idaho First National Bank, Boise, Idaho, proposed purchase of assets and assumption of liabilities of Largilliere Company, Bankers, Soda Springs, Idaho, by, report to Comptroller of the Currency on competitive factors approved

Indian Head National Bank of Nashua, New Hampshire:
Request for ruling re payment of interest at the maximum 4% for funds having been on deposit for 12 months, and represented as "savings shares", being acquired by purchase of assets and assumption of liabilities of Claremont Co-operative Bank, a building and loan association, emphasis in draft reply re status as deposits, of share accounts in building and loan association, criticized, agreed that letter would be redrafted for further consideration

Letter to FRBank of Boston indicating no objection approved

Inter National Bank of Miami, Florida, granted permission to carry same reserves as maintained by nonreserve city banks

Johnsonburg National Bank, Johnsonburg, Pa., proposed merger into the Warren National Bank, Warren, Pennsylvania, report to the Comptroller of the Currency on the competitive factors, approved

National banks: (continued)

Lancaster County National Bank, Lancaster, Pa., proposed consolidation with Farmers Bank and Trust Company of Lancaster, Pennsylvania, report to Comptroller of the Currency on competitive factors approved 10/23 3603

Liberty National Bank and Trust Company, Buffalo, New York, proposed merger of State Bank of Newfane, New York, into, report to Comptroller of the Currency on competitive factors approved 8/27 2919


Loudoun National Bank of Leesburg, Virginia, penalty for deficiency in its required reserves, waived 12/27 4557, 4567

Lynchburg National Bank and Trust Company, Lynchburg, Virginia, proposed merger of Campbell County Bank, Rustburg, Virginia, into, report to Comptroller of the Currency on competitive factors approved 7/29 2497

Madison National Bank, Washington, D.C., permission to maintain same reserves as non-reserve city banks, approved 12/10 4315, 4318

Manufacturers National Bank, Detroit, Michigan: Permission granted to organize Manufacturers-Detroit International Corporation, Detroit, Michigan, under section 25(a), FRAAct, to engage in international or foreign banking, preliminary permit transmitted 4/24 1315, 1324

Amendment of Article Second of the Articles of Association of Manufacturers-Detroit International Corporation, approved 10/31 3722, 3727
National banks: (continued)


Marine National Bank of Waukesha, Wisconsin:
Extension of time to Marine Corporation, Milwaukee, Wisconsin for issuance of general voting permit to vote the stock of, approved 1/4 4, 24
Order granting extension of time for to open for business as a subsidiary of Marine Corporation, Milwaukee, Wisconsin, approved 3/8 834, 836
Permission granted for a time extension for issuance of a general voting permit to Marine Corporation, Milwaukee, Wisconsin, to vote the stock of 3/8 834, 838

Marion National Bank, Marion, Virginia, proposed merger into The First National Exchange Bank of Virginia, report to Comptroller of the Currency on competitive factors approved 6/11 1884

Maryland National Bank, Baltimore, Maryland:
Proposed merger of The Second National Bank of Hagerstown, Md., into, report to Comptroller of the Currency on competitive factors approved with the conclusion modified in recognition of the point made by Governor Mills that the Board should not question the ability of the remaining small banks in the Hagerstown area to survive 7/1 2165
Proposed merger of Chestertown Bank of Maryland, Chestertown, Maryland, into, report to Comptroller of the Currency on competitive factors approved 11/26 4095

Matteawan National Bank, Beacon, New York, proposed consolidation with Farmers and Manufacturers National Bank of Poughkeepsie, New York, report to Comptroller of the Currency on competitive factors approved 7/3 2187
National banks: (continued)

Mellon National Bank and Trust Company, Pittsburgh, Pennsylvania, organization of Mellon International Finance Corporation approved, preliminary permit authorizing exercise of powers conferred by section 25(a), FRAct, incidental and preliminary to its organization, transmittal to Memorial National Bank of Houston, Texas, permission granted to maintain same reserves against deposits as are required to be maintained by non-reserve city banks

Mercantile National Bank of Hammond, Indiana, proposed consolidation of Calumet National Bank of Hammond, Indiana, and, report to Comptroller of the Currency on competitive factors approved

Miami National Bank, Miami, Florida, Buckeye Corporation, New York, New York, and Massachusetts Mohair Plush Company, Inc., New York, New York determined not to be holding company affiliates of, except for purposes of section 23A

Michigan Bank, National Association, Detroit, Michigan, deficient in weekly reserve computation periods in 1962 and through June 19, 1963, mentioned in examination of FRBank of Chicago, too frequent use of Paragraph C of Board's letter S-1123, Chairman Martin suggested that a memorandum be prepared on the subject preparatory to thorough review by Board

Michigan National Bank, Lansing, Michigan, purchase of assets and assumption of liabilities of Grand Ledge State Bank, and Loan and Deposit State Bank, both of Grand Ledge, Michigan, by, report to Comptroller of the Currency on competitive factors approved
National banks: (continued)

Monmouth County National Bank, Red Bank, New Jersey, proposed consolidation of Long Branch Trust Company, Long Branch, New Jersey, and, report to Comptroller of the Currency on competitive factors of deposits of four largest banks in Monmouth County

National Bank of Chambersburg, Pennsylvania, proposed merger of Valley National Bank of Chambersburg, Pa., into, report to Comptroller of the Currency on competitive factors approved


Request from two banks for report on competitive factors, Board directed FRBank of Dallas to inform the two Houston banks they should submit request for report to Comptroller of the Currency, request withdrawn

National Bank of Commerce of Norfolk, Virginia, proposed consolidation with Peoples National Bank of Central Virginia, Charlottesville, Va., report to Comptroller of the Currency on competitive factors approved

National Bank of Commerce of Seattle, Washington, granted permission to organize Commerce International Banking Corporation under section 25(a), FRAct, preliminary permit transmitted to
National banks: (continued)

National Bank of Crewe, Virginia, proposed merger with Bank of Crewe, Virginia, report to FDIC on competitive factors approved

National Bank of Detroit, Michigan:
Appointment of Clifford R. Miller, II, as assistant examiner approved, with understanding he not participate in examination of, where his brother is employed

Preliminary permit issued under section 25 (a) of the FRAct to organize a foreign banking corporation to be known as International Bank of Detroit, Detroit, Michigan

National Bank of Liberty, New York, proposed merger with The South Fallsburg National Bank, South Fallsburg, New York, report to Comptroller of the Currency on competitive factors approved

National Bank of Maryland, Silver Spring, Maryland, proposed merger of, into Citizens Bank of Maryland, Riverdale, Maryland, report to FDIC on competitive factors approved

National Bank of Monticello, Illinois, appointment of Thomas H. Walsh, as assistant examiner, FRBank of Chicago, not to participate in examination of, as long as his father is an officer or director of


National Bank of South Dakota, Sioux Falls, S.D., litigation initiated by the State challenging the merger of three banks into, a subsidiary of First Bank Stock Corporation, letter re applicability of sections 3(d) and 3(a)(3) of the Bank Holding Act, approved for transmittal to First Bank Stock Corporation
National banks: (continued)

National Bank of Suffolk, Virginia, proposed merger into Virginia National Bank, Norfolk, Virginia, report to Comptroller of the Currency on competitive factors approved 7/2 2173

National Bank of Twin Falls, Idaho, proposal of, to acquire assets and assume liabilities of Hazelton State Bank, Hazelton, Idaho, report to Comptroller of the Currency on competitive factors approved 9/16 3162

National Bank and Trust Company of Ann Arbor, Michigan, service of Dr. Paul W. McCracken as director of, and director of Group Securities Incorporated, Jersey City, New Jersey, an open-end investment company, applicable to prohibition in section 32 of Banking Act of 1933, question of Dr. McCracken's service as economic adviser rather than director of, to be taken up with FRBank of Chicago 12/2 4160, 4179


National Bank and Trust Company of Norwich, New York, proposed merger of Peoples National Bank of Margaretville, New York, into, report to the Comptroller of the Currency on competitive factors approved 7/12 2274

National Bank and Trust Company of Port Jervis, New York:

Application of Sullivan County Trust Company, Monticello, N. Y. to merge with, approved 3/19 942

Issuance of order and statement approving, authorized, operation of a branch incident to the merger approved, Intercounty Trust Company, title of resulting bank 3/22 988,1009-11
National banks: (continued)

National Bank and Trust Company of South Bend, Indiana, proposed purchase of assets and assumption of liabilities of First National Bank of New Carlisle, Indiana, by, report to Comptroller of the Currency on competitive factors, approved 9/27 3357

National Citizens Bank of Canby, Minnesota, determined that the Howard W. Reiter Investment Company is not a holding company affiliate of, except for purposes of section 23A 5/3 1443, 1451


National County Bank of Closter, New Jersey, proposed merger into Citizens National Bank of Englewood, New Jersey, report to Comptroller of the Currency on the competitive factors approved, Governor Robertson's views re information on competitive factors reports noted, understood Division of Examinations would study problem 7/12 2275-76

National Mahaiwe Bank of Great Barrington, Mass., proposed consolidation with the First Agricultural National Bank of Berkshire County, Pittsfield, Massachusetts, report to Comptroller of the Currency on competitive factors approved 3/19 940

Newton National Bank, Newton, Massachusetts, letter to FRBank of Boston expressing the opinion that section 32 of the Banking Act of 1933 forbid the service of Howard Whitmore, Jr. Vice President of John P. Chase, Inc., as a director of 11/7 3877, 3881

Nicodemus National Bank of Hagerstown, Maryland, proposed merger into First National Bank of Maryland, Baltimore, Maryland, report to Comptroller of the Currency on competitive factors approved 5/16 1595
National banks: (continued)

North Carolina National Bank, Charlotte, North Carolina, proposed merger of Bank of Chapel Hill, North Carolina, into, report to Comptroller of the Currency on competitive factors approved 7/23 2375

Northeast Colorado National Bank of Denver, Colorado, granted permission to carry same reserves as maintained by nonreserve city banks 7/24 2403, 2428


Northshore National Bank, Houston, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business 8/16 2726, 2749


Oneida National Bank and Trust Company of Central New York, Utica, New York:

Proposed merger of First National Bank of Dolgerville, New York, into, report to Comptroller of the Currency on competitive factors discussed, staff to obtain additional information re operations of latter bank in light of statements in report of FRBank of New York 1/23 225

Following presentation of additional information and suggested changes, report approved 1/24 238

Park National Bank of Pueblo, Colorado, granted permission to carry same reserves as maintained by nonreserve city banks 1/30 289, 302
National banks: (continued)

Parkerburg National Bank, Parkersburg, West Va.,
appointment of Mr. Douglass H. Adams as Examiner approved, not to participate in examination of, as long as his father is executive vice president and director of 12/24 4548

Peoples National Bank of Central Virginia, Charlottesville, Va., proposed consolidation with National Bank of Commerce of Norfolk, Virginia, report to Comptroller of the Currency on competitive factors approved 3/1 732

Peoples National Bank of Leesburg, Virginia:
Issuance of limited voting permits to Financial General Corporation, Washington, D.C., American Installment Credit Corporation, Washington, D.C., and National Insurers & Credit Corporation, Des Moines, Iowa, to vote their stock of, authorized 1/4 5, 25, 26

Telegram to FR Agent of Richmond authorizing issuance of a general voting permit to American Installment Credit Corporation, Washington, D.C., National Insurers & Credit Corporation, Des Moines, Iowa, and Financial General Corporation, Washington, D.C., to vote stock of 9/24 3298, 3308-13

Peoples National Bank of Margaretville, New York, proposed merger into National Bank and Trust Company of Norwich, New York, report to Comptroller of the Currency on competitive factors approved 7/12 2274

Peoples National Bank of Pulaski, Virginia:
Application of Virginia Commonwealth Corporation, Richmond, Virginia, to acquire shares of, approved 7/26 2455

Issuance of order and statement authorized with concurring statement of Governor Robertson 8/16 2729, 2780-88

Order extending the period of time prescribed in orders of approval of application of Virginia Commonwealth Corporation to acquire voting shares of Washington Trust and Savings Bank, Bristol, Virginia and, authorized 10/8 3461, 3466
National banks: (continued)

Peoples National Bank of Pulaski, Va.: (continued)
Issuance of a limited voting permit to
Virginia Commonwealth Corporation,
Richmond, Virginia, to vote its
stock of, authorized

Peoples National Bank, Rock Hill, South Carolina,
penalty for deficiency in reserves waived

Peoples National Bank of Washington in Seattle,
Washington, proposed merger of
Bellingham National Bank,
Bellingham, Washington, into,
report to the Comptroller of the
Currency on the competitive fac-
tors, approved

Peoples National Bank & Trust Company of Bay City,
Michigan:
Proposed merger of Pinconning State Bank,
Pinconning, Michigan, into, re-
port to Comptroller of the Currency on competitive factors,
approved

Letter to FRBank of Chicago re retirement of
preferred stock issued by Pincon-
ing State Bank, Pinconning, Mich.,
in connection with the merger of
State bank into, neither permi-
sion of FRBank nor Board of Gover-
nors seems necessary or appropriate
in this instance since another
Federal Agency is authorized to
approve the merger

Philadelphia National Bank, Philadelphia, Pa.,
appointment of Robert A. Wallgren
as assistant examiner for FRBank
of Philadelphia approved with
understanding he not participate
in examination of, as long as his
father is an officer of that bank

Piedmont National Bank of Spartanburg, South Caro-
lina, proposed merger of, into
South Carolina National Bank of
Charleston, South Carolina, re-
port to Comptroller of the Curre-
ncy on competitive factors
approved

12/27 4556, 4562
3/11 840, 861
10/31 3723
11/26 4096
12/16 4376, 4389
11/5 3812, 3820
9/23 3269
National banks: (continued)

Pittsfield National Bank, Pittsfield, Mass., proposed consolidation of Berkshire Bank & Trust Company, Pittsfield, Massachusetts, and, report to FDIC on competitive factors approved

Plymouth National Bank, Plymouth, Massachusetts, proposed merger of Home National Bank of Brockton, Massachusetts, into, report to Comptroller of the Currency on competitive factors approved

Public National Bank, Washington, D. C., granted permission to maintain same reserves as nonreserve city banks

Republic National Bank of Houston, Texas, granted permission to maintain same reserves as nonreserve city banks

Richmond National Bank and Trust Company, Richmond, Virginia:

* Granted permission to carry same reserves as maintained by nonreserve city banks

Issuance of limited voting permit to First Virginia Corporation, Arlington, Virginia, to vote the stock of Shenandoah County Bank and Trust Company, Woodstock, Virginia, Peoples' Bank, Mount Jackson, Va., and, authorized

Issuance of a limited voting permit to First Virginia Corporation, Arlington, Virginia, to vote the stock of, authorized

Telegram to FRAgent at Richmond authorizing issuance of a general voting permit to First Virginia Corporation, Arlington, Virginia, to vote stock of

Riggs National Bank of Washington, D.C.:

National banks: (continued)

Riggs National Bank of Washington, D.C.: (continued)
Certain loan information requested by FRBank of Richmond, from, not revealed in light of instructions from Comptroller that a written request should be directed to the Comptroller, noted

Rocky Ford National Bank, Rocky Ford, Colorado, Rocky Ford Investment Corporation, Kansas City, Missouri, determined not to be a holding company affiliate of, except for purposes of section 23A

Royal National Bank of New York, New York:
Proposed merger of Gotham Bank, New York, New York, report to Comptroller of the Currency on competitive factors, approved
Question re emphasizing that the report's conclusion related only to competitive factors, in light of previous problems presented to the supervisory agencies by both banks, decision not to deviate from the usual form
Granted permission to carry same reserves as are required to be maintained by nonreserve city banks

St. Lawrence County National Bank, Canton, New York, proposed merger of The First National Bank of Heuvelton, New York, into, report to the Comptroller of the Currency on competitive factors approved

Seaboard Citizens National Bank of Norfolk, Va., proposed merger of Farmers Bank of Nansemond, Suffolk, Virginia, into, report to Comptroller of the Currency on competitive factors, approved

Second National Bank of Cumberland, Maryland, proposed merger into The First National Bank and Trust Company of Cumberland, Maryland, report to the Comptroller of the Currency on competitive factors approved
National banks: (continued)

Second National Bank of Danville, Illinois, North Shore Investment Corporation, Joliet, Illinois, determined not to be a holding company affiliate of, except for purposes of section 23A of FRAct 12/16 4376, 4390

Second National Bank of Hagerstown, Maryland, proposed merger into the Maryland National Bank, Baltimore, Maryland, report to Comptroller of the Currency on competitive factors approved 7/1 2165

Security National Bank, Denver, Colorado:
Application by First Colorado Bankshares, Inc., Englewood, Colorado, to acquire shares of the proposed, request by the Colorado State Banking Board to be heard at a public hearing re, advice to the State Bank Commissioner Application approved 2/5 440, 455

Certain changes in original program for financing, to be included in statement to be issued, letter to counsel David Butler Esq., of Holland and Hart 10/9 3488, 3489

Issuance of order, statement, and concurring statements of Governor Mitchell and Governor Robertson authorized 10/25 3674, 3686


Security National Bank of Manistee, Michigan, proposed consolidation of Kaleva State Bank, Kaleva, Michigan, and, report to Comptroller of the Currency on competitive factors approved 1/16 131

Security National Bank of San Antonio, Texas, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks, effective as of date it opens for business 6/19 1973

National banks: (continued)

Sioux National Bank of Harrison, Nebraska:
Application of Trans-Nebraska Co., Lincoln, Nebraska, to acquire stock of two other Nebraska banks and, application denied
Issuance of order and statement authorized, Legal Division memorandum re possible guidelines for handling similar situations, presented

South Carolina National Bank of Charleston, South Carolina:
Proposed merger of Bamberg County Bank, Bamberg, South Carolina into, report to the Comptroller of the Currency on competitive factors approved
Proposed merger of Citizens State Bank, Bennettsville, South Carolina into, report to Comptroller of the Currency re competitive factors approved
Proposed merger of Piedmont National Bank of Spartanburg, South Carolina, into, report to Comptroller of the Currency on competitive factors approved

South Fallsburg National Bank, South Fallsburg, New York, proposed merger with National Bank of Liberty, New York, report to Comptroller of the Currency on competitive factors approved

South Platte National Bank, LaSalle, Colorado, and First National Bank of Greeley, Colorado, question of interlocking directorates, letter to General Counsel of FRBank of Kansas City, agreeing with conclusion that neither LaSalle nor Greeley, are adjacent or contiguous, within the meaning of section 8 of the Clayton Act and Regulation L, accordingly directors and employees of First National Bank are not prohibited from serving as directors of
National banks: (continued)

Southern Hills National Bank, Tulsa, Oklahoma:
Granted permission to carry same reserves as maintained by nonreserve city banks.

Granted permission to carry same reserves as maintained by nonreserve city banks, effective the date it opens for business.

Southwest National Bank of Fort Worth, Texas, granted permission to maintain same reserves as are required to be maintained by nonreserve city banks, effective as of the date it opens for business.

Springs National Bank of Tampa, Florida, Capital Exchange Corporation determined not to be a holding company affiliate of, except for purposes of section 23A.

State National Bank, Bethesda, Maryland, reply to John M. Dorer, Strasburg, Virginia, re maximum rate of interest a member bank may pay on savings deposits, as provided under Regulation Q, in connection with a deposit with

Sterling National Bank and Trust Company, New York, New York, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks, Governors Robertson and Mitchell dissenting.

Streator National Bank, Streator, Illinois, S-J Management Corporation, Joliet, Illinois, determined not to be a holding company affiliate of except for purposes of section 23A.

Superior National Bank and Trust Company of Hancock, Michigan, proposed consolidation with the South Range State Bank, South Range, Michigan, report to the Comptroller of the Currency on the competitive factors approved.

10/24 3639,3648
12/12 4343, 4350
1/24 238, 248
4/5 1149, 1152
2/1 411, 415
2/4 418, 435
1/7 32, 49
10/31 3722
National banks: (continued)

Texas National Bank of Houston, Texas:
Proposed consolidation of, and National Bank of Commerce of Houston, Texas, report to Comptroller of the Currency on competitive factors approved 10/16 3562

Request from two banks for report on competitive factors, Board directed Federal Reserve Bank of Dallas to inform the two Houston banks that they should submit request for report to Comptroller of the Currency, request withdrawn 10/21 3593, 3594

Tipp-Citizens National Bank, Tipp City, Ohio, report to Comptroller of the Currency on the competitive factors in the proposed mergers of The Troy Citizens Bank, Troy, Ohio, and, into The Citizens National Bank and Trust Company, Piqua, Ohio, approved 12/4 4203


Trinity National Bank of Dallas, Texas, granted permission to maintain same reserves as are required by nonreserve city banks 3/18 895, 921

Trumann National Bank, Trumann, Arkansas, American Pioneer Life Insurance Company, Little Rock, Arkansas, determined not to be a holding company affiliate of 2/26 683, 689

Unadilla National Bank, Unadilla, New York:
Application of State Bank of Albany, New York, to merge with, denied 4/19 1264

Issuance of order and statement authorized 4/26 1344, 1367-69

Request for reconsideration in light of additional information presented, four Board members present unanimously approved letter to State Bank of Albany denying request for reconsideration, with understanding identical letter would be sent to 7/29 2497, 2508

Letter to Congressman Stratton 7/29 2509
National banks: (continued)

Union National Bank and Trust Company at Mount Holly, New Jersey, proposed merger of First National Bank of Vincen-
town, New Jersey, into, report to Comptroller of the Currency on competitive factors approved 7/1 2165

United States National Bank in Johnstown, Penn., proposed purchase of assets and assumption of liabilities of Windber Bank and Trust Company, Windber, Pennsylvania, by, re-
port to Comptroller of the Currency on competitive factors approved 4/29 1378

United States National Bank of San Diego, Calif., proposed merger of First National Bank of La Verne, California, in-
to, report to Comptroller of the Currency on competitive factors approved 1/7 33

Valley National Bank of Arizona, Phoenix, Arizona:
Request from Justice Department for certain information re Arizona Bancorporation, Arizona Bank, and, for use in civil antitrust action, letter to FRBank of San Francisco re availability of data from cer-
tain surveys in 1955 and 1957, and from 1956 investigation of banking in Arizona, letter to Justice re status of situation, question re having Justice sub-
poena material 5/14 1564, 1572-74

Letter to, advising that Board addressed letter to Assistant Attorney Gen-
eral Orrick designating which of requested materials are available through FRBank of San Francisco for inspection and copying in U.S. v. Valley National Bank, et al., court case, one exception is cer-
tain correspondence in connection with System's 1955 Survey of Com-
mercial and Industrial loans and 1957 Survey of Business Loans 9/11 3091, 3107
National banks: (continued)


Virginia National Bank, Norfolk, Virginia:
Proposed merger of National Bank of Suffolk, Virginia, into, report to Comptroller of the Currency on competitive factors approved

Proposed merger of Farmers Exchange Bank, Abingdon, Virginia, into, report to Comptroller of the Currency on competitive factors, approved

Proposed merger of Tidewater Bank & Trust Company, Franklin, Virginia, into, report to Comptroller of the Currency on competitive factors, approved

Proposed merger of Farmers and Merchants Bank of Staunton, Virginia, into, report to the Comptroller of the Currency on competitive factors approved

Warren National Bank, Warren, Pennsylvania, proposed merger of Johnsonburg National Bank, Johnsonburg, Pa., into, report to the Comptroller of the Currency on the competitive factors approved

Watertown National Bank, Watertown, New York, proposed merger of Massena Banking and Trust Company, Massena, New York, into, report to Comptroller of the Currency on competitive factors approved

Western National Bank of Denver, Denver, Colorado, permission granted to maintain the same reserves as nonreserve city banks

Western Pennsylvania National Bank, McKeesport, Pennsylvania, proposed consolidation with Hazelwood Bank, Pittsburgh, Pennsylvania, report to Comptroller of the Currency on competitive factors approved
National banks: (continued)

White Rock National Bank of Dallas, Texas, consent granted to carry same reserves as nonreserve city banks

Whitney National Bank in Jefferson Parish, La:

SEE: Bank holding companies:
    Whitney Holding Corporation


Wyoming National Bank of Tunkhannock, Pa., proposed merger into Wyoming National Bank of Wilkes-Barre, Pa., report to Comptroller of the Currency on competitive factors approved

Wyoming National Bank of Wilkes-Barre, Pa., proposed merger with Wyoming National Bank of Tunkhannock, Pa., report to Comptroller of the Currency on competitive factors approved

Wythe County National Bank of Wytheville, Va., proposed merger of Peoples Bank of Rural Retreat, Va., and, report to the Comptroller of the Currency on competitive factors approved

Youngsville National Bank, Youngsville, Pa., proposed merger into Pennsylvania Bank and Trust Company, Titusville, Pennsylvania, report to Federal Deposit Insurance Corporation on the competitive factors approved

National Communications System, designation of Mr. Kelleher, Director, Division of Administrative Services, as liaison between Board and, letter to Presidents of all Federal Reserve Banks re
National Currency Act of 1863:
Proclamation, Executive, entitled "Centennial of the Dual Banking System," proposed by Treasury Department, reply to Budget Bureau indicating no comment

Second draft of, reviewed, Mr. Hackley authorized to inform Budget Bureau of the Board's views

National Foreign Trade Convention, designation of Mr. James K. Nettles, Economist, Division of International Finance, to attend

National Institute of Public Affairs:
Career Education Award, administered by, nomination of James A. McIntosh, Technical Assistant, Division of Bank Operations, approved

National Labor Relations Board:
Hearing Examiners:
London, David, to serve at hearings re application of Denver U.S. Bank corporation, Denver, Colo., and re application of First Colorado Bankshares, Inc., Englewood, Colorado

Schneider, Charles W., Associate Chief Hearing Examiner:
Employed on reimbursable basis to conduct hearings under section 4(c)(6), Bank Holding Company Act
Designated for hearing re request from Otto Bremer Company for determination under sec. 4(c)(6)

National Park Service:
Garage facilities under proposed new annex on C Street, Governor Shepardson to negotiate with

National Retail Merchants Association:
Retail trade statistics program:
Reply to Mr. Bennett, President of, that FRSystem continue the departmental report until Jan. 31, 1964, agreed that Gov. Mitchell and Mr. Sherman redraft reply

2/13 539, 550
2/20 650
10/16 3574
3/22 992
3/6 790
4/24 1319
4/29 1376
3/25 1017
3/6 790
Nebraska:
Bank holding companies:
State law making it unlawful to take any action that would result in formation of, noted in connection with consideration of application in Nebraska; Board's previous position that it must administer provisions of Federal statutes and States must administer applicable statutes noted
Further discussion re State laws involving holding company applications, Legal Division memorandum re possible guidelines presented

Netherlands, The:
Bankierscompagnie, permission granted to Morgan Guaranty International Banking Corporation, New York, New York, to purchase shares of, additional condition prescribed, precluding Bankierscompagnie and any subsidiary from engaging in the securities business in the United States or underwriting even on a standby basis any portion being sold or distributed in the United States, or to maintain a branch, agency, office, or representative in the United States
New Jersey Bankers Association:

Savings deposits:
Definition of, in resolution adopted by the Board of Directors of FDIC re recommendation by New Jersey Bankers Association, that section 217.1(e) of Regulation Q and section 329.1(e) of the Rules and Regulations of FDIC be amended, and that interagency conferences of the Federal bank supervisory agencies be arranged to evaluate and study recommendation, understood that Governor Robertson would contact Director Wolcott for additional information.

Meeting of representatives of bank supervisory agencies to discuss resolution of, recommending change in definition of savings deposit in regulations of Board and FDIC so as to enable anyone to hold a savings deposit up to the maximum of $50,000, suggestion that Board consider definition of, early in 1964.

Nonmember banks:
Coin shortages:
Expense of handling coin return to FRBanks by, to be subject to forthcoming meeting of Presidents' Conference.

Telegram to all FRBank Presidents concurring in action of Conference of Presidents re payment of transportation costs on coin shipments to FRBanks by, located outside FRBank and Branch cities for month of October 1963.

Condition reports of insured:
SEE: Condition reports:
Nonmember banks:
Discounts and advances by FRBanks:
Draft bill (deposit insurance bill) to extend FRcredit facilities to, question re extending reserve requirements to demand deposits, as well as to time and savings deposits, in connection with
Nonmember banks: (continued)

Discounts and advances by FRBanks: (continued)

Draft bill to extend Federal Reserve Credit facilities to: (continued)

Report sent to Budget Bureau, Governor Mills dissenting

Revised draft received omitting provisions re

Reserve requirements:

Draft bill (deposit insurance bill) to extend to time and savings deposits of, staff to draft report to Budget Bureau

Report sent to Budget Bureau, Governor Mills dissenting

Revised draft of bill received omitting provisions re

Uninsured banks, bank merger applications involving, discussion re applicability of Federal statutes including the Bank Merger Act with respect to, referred to in connection with the proposed merger of The Union Bank and Trust Company of New London into The Connecticut Bank and Trust Company, memorandum to be prepared by Legal Division for Board's information

(Individual banks):

Adairville Banking Company, Adairville, Kentucky, proposed acquisition of assets and assumption of liabilities of The Peoples Bank, Adairville, Kentucky, report to FDIC on competitive factors approved

Airline State Bank of Houston, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective as of date bank is admitted to membership under national bank charter as Airline National Bank of Houston

Appleton State Bank, Appleton, Wisconsin, application of Valley Bancorporation to acquire stock of two other Wisconsin banks and, issuance of order and statement approving, authorized
Nonmember banks: (continued)

Arapahoe County Bank, Littleton, Colorado:
Application by Denver U. S. Bancorporation Inc., Denver, Colorado, to become a bank holding company by acquisition of stock of, order for public hearing issued
Application approved, with Governor Robertson dissenting
Order and statement approving, authorized

Arizona Bank, Phoenix, Arizona, request from Justice Department for certain information re Arizona Bancorporation, Valley National Bank of Arizona, and, for use in civil antitrust action, letter to Federal Reserve Bank of San Francisco to ascertain if certain data is in file; letter to Justice Department re status of situation

Baltimore Trust Company, Selbyville, Delaware:
Application of Wilmington Trust Company, Wilmington, Delaware, to purchase certain assets and assume deposit liabilities of Camden (Delaware) branch of, and incident thereto to make an additional investment in bank premises, approved, Governor Robertson dissenting
Issuance of order, majority statement, and dissenting statement by Governor Robertson, authorized

Bamberg County Bank, Bamberg, South Carolina, proposed merger into South Carolina National Bank of Charleston, South Carolina, report to the Comptroller of the Currency on competitive factors approved

Bank of Aurora, Colorado:
Application by Denver U. S. Bancorporation, Inc., Denver, Colorado, to become a bank holding company by acquisition of stock of, order for formal public hearing issued
Application approved, Governor Robertson dissenting
Nonmember banks: (continued)

Bank of Barnwell, South Carolina, proposed merger into State Bank and Trust Company, Greenwood, South Carolina, report to FDIC on competitive factors approved 5/23 1719

Bank of Black Creek, Wisconsin, application of Valley Bancorporation to acquire stock of two other Wisconsin banks and, issuance of order and statement approving, authorized 1/24 239, 253-55

Bank of Burlington, North Carolina, proposed merger into Northwestern Bank, North Wilkesboro, North Carolina, report to FDIC on competitive factors approved 5/29 1794

Bank of Chapel Hill, North Carolina, proposed merger into North Carolina National Bank, Charlotte, North Carolina, report to Comptroller of the Currency on competitive factors approved 7/23 2375


Bank of Crewe, Virginia, proposed merger of National Bank of Crewe, Virginia, with, report to FDIC on competitive factors approved 5/27 1774


Bank of Henrico, Sandston, Virginia:
Violation of section 6(a)(2) of the Bank Holding Company Act by The Bank of Virginia upon acceptance of stock of Virginia Commonwealth Corporation, Richmond, Virginia, in exchange for stock of, then being held as collateral for loans in question, advice to FRBank of Richmond 5/6 1477, 1499
Nonmember banks: (continued)

Bank of Henrico, Sandston, Virginia: (continued)
Application of Bank of Virginia, Richmond, Virginia to merge with, approved, reference to bank's capital position and study by the staff re the capital position of all of the banks of the Virginia Commonwealth Corporation holding company group

Issuance of order and statement authorized

Bank of Horton, Kansas, proposed purchase of assets and assumption of liabilities of Home State Bank, Horton, Kansas, by, report to FDIC on competitive factors approved

Bank of Lake Stevens, Washington, proposal of Everett Trust & Savings Bank, Everett, Washington, to acquire assets and assume liabilities of, report to FDIC on competitive factors approved

Bank of Louisville, Kentucky, proposed merger of Royal Bank and Trust Company, Louisville, Kentucky, into, report to FDIC on competitive factors approved

Bank of Newberry, Williamsport, Pennsylvania:
Proposed merger with West Branch Bank and Trust Company, Williamsport, Pennsylvania, under charter of petitioner and title Northern Central Bank and Trust Company, Board agreed to arrange an oral presentation re proposed merger, oral presentation subsequently arranged for September 19, 1963

Application approved, Governor Robertson dissenting

Issuance of order, statement, and dissenting statement authorized

1963

6/11 1883

6/17 1933, 1944

8/9 2659

2/11 531

7/8 2206

8/30 2978-81

10/14 3530

10/23 3607, 3629-36
Nonmember banks: (continued)

Bank of Nokesville, Inc., Nokesville, Virginia:
Proposed merger with The Bank of Occoquan, Virginia, under the title of The Bank of Prince William, Woodbridge, Virginia, report to FDIC on the competitive factors approved, question re need for collateral application under section 3(a)(2) of Bank Holding Company Act in connection with the above merger, understood Legal Division would study matter further and present additional memorandum for consideration of Board, advice to FDIC

Concluded that prior approval of transaction by Board not required by section 3(a) of the Bank Holding Company Act of 1956, advice to R. Colston Christian, Esq.

Bank of Occoquan, Occoquan, Virginia:
Proposed merger with The Bank of Nokesville, Inc., Nokesville, Virginia, under the title of The Bank of Prince William, Woodbridge, Virginia, report to FDIC on the competitive factors, approved, question re need for collateral application under section 3(a)(2) of the Bank Holding Company Act in connection with the above merger, understood the Legal Division would study matter further and present additional memorandum for consideration of Board, advice to FDIC

Concluded that prior approval of transaction by Board not required by section 3(a) of Bank Holding Company Act of 1956, advice to R. Colston Christian, Esq.

Bank of Prince William, Woodbridge, Virginia:
Report on competitive factors to FDIC on proposed merger of The Bank of Occoquan, Virginia, with The Bank of Nokesville, Inc., Nokesville, Virginia, under the title of, approved, question re need for collateral application with respect to, Legal Division to study matter
Nonmember banks: (continued)

Bank of Prince William, Woodbridge, Va.: (continued)
Concluded that prior approval of transaction by Board not required  

Bank of Randolph, Asheboro, North Carolina:
Application to merge with Wachovia Bank and Trust Company, Winston-Salem, North Carolina, memorandum from Legal Division and Division of Examinations re merger, application approved, with Governors Mills and Robertson dissenting  
Issuance of order, statement, and dissenting statement authorized  

Bank of Rockville Centre Trust Company, Nassau County, Long Island, New York, proposed application by Chemical Bank New York Trust Company, New York, New York, to purchase the assets of the, request by Cravath, Swaine & Moore re matters involving preparation of the application, reply approved  

Bank of St. Bernard, Ohio:
Application of Fifth Third Union Trust Company, Cincinnati, Ohio, to purchase assets and assume liabilities of, approved, Governor Robertson dissenting  
Issuance of order, statement, and dissenting statement of Governor Robertson, authorized  

Bank for Savings in the City of New York, New York, proposed merger into New York Savings Bank, New York, New York, report to FDIC on competitive factors approved  

Bank for Savings and Trusts, Birmingham, Alabama, proposed consolidation with Birmingham Trust National Bank, Birmingham, Alabama, report to Comptroller of the Currency on competitive factors approved  

Bank of Yanceyville, North Carolina, proposed merger of, with Northwestern Bank, North Wilkesboro, North Carolina, report to FDIC on competitive factors approved  

11/27 4116, 4132
11/5 3790
2/5 440, 452
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8/6 2574, 2583-92
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<td>Proposed consolidation of Pittsfield National Bank, Pittsfield, Massachusetts, and report to FDIC on competitive factors approved</td>
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<td>Arlington, Georgia</td>
<td>Appointment of Preston Turner Bostwick as assistant examiner for FRBank of Atlanta approved with understanding he not participate in examination of Bostwick Banking Company as long as his father is an officer of that bank</td>
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<td>Carolina Industrial Bank</td>
<td>Asheville, North Carolina</td>
<td>Proposed merger into First-Citizens Bank &amp; Trust Company, Smithfield, North Carolina, report to FDIC on competitive factors approved</td>
<td>2/7</td>
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<td>Central Bank Company</td>
<td>Lorain, Ohio</td>
<td>Application of Lorain County Savings &amp; Trust Company, Elyria, Ohio, to merge with, suggestion by Governor Mitchell that in light of close vote, application should be considered by full Board, views expressed re possibility of requiring four votes discussed, Governor Mitchell withdrew suggestion</td>
<td>12/18</td>
<td>4424</td>
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<td>Central Jersey Bank and Trust Company</td>
<td>Freehold, New Jersey</td>
<td>Proposed merger of Farmers National Bank of Allentown, New Jersey, and, letter to FDIC re Board's November 14, 1962 report on competitive factors, indication that there was no justification for change in conclusion</td>
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<td>169, 176</td>
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<td>Proposed merger of Matawan Bank, New Jersey, and, report to FDIC on competitive factors approved</td>
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Nonmember banks: (continued)

Chestertown Bank of Maryland, Chestertown, Md., proposed merger of, into Maryland National Bank, Baltimore, Md., report to Comptroller of the Currency on competitive factors approved

Citizens Bank of Maryland, Riverdale, Maryland, proposed merger of National Bank of Maryland, Silver Spring, Md., into, report to FDIC on competitive factors approved

Citizens Bank, Westerville, Ohio, proposed merger into The City National Bank and Trust Company of Columbus, Ohio, report to Comptroller of Currency on competitive factors approved

Citizens State Bank, Bennettsville, South Carolina, proposed merger into South Carolina National Bank of Charleston, South Carolina, report to Comptroller of the Currency on competitive factors approved

Citizens State Bank of Emmett, Michigan:
Application by Commercial and Savings Bank of St. Clair, Michigan, to consolidate with, approved
Issuance of order and statement approving, authorized, operation of a branch incident to the consolidation approved

Clinton Trust Company, Clinton, Massachusetts, proposed merger with Worcester County National Bank, Worcester, Massachusetts, report to Comptroller of Currency on competitive factors approved

Columbus Savings Bank, Columbus, Ohio, proposed merger into Huntington National Bank of Columbus, Ohio, report to Comptroller of Currency on competitive factors approved

Community Bank of Trenton, Illinois, proposed acquisition of assets and assumption of liabilities of Farmers Bank of Trenton, Ill., by, report to FDIC on competitive factors approved
Nonmember banks: (continued)

Community State Bank, Grandville, Michigan:
Application of Old Kent Bank and Trust
Company, Grand Rapids, Michigan, to consolidate with, approved
Issuance of order and statement approving authorized
12/18 4413

Community Trust Company, York, Maine, proposed merger into First National Bank of Portland, Maine, report to Comptroller of the Currency on competitive factors approved
3/18 896

Crawford State Bank, Crawford, Nebraska:
Application of Trans-Nebraska Company, Lincoln, Nebraska, to acquire stock of two other Nebraska banks and, denied
Issuance of order and statement authorized, Legal Division memorandum on possible guidelines for handling similar situations, presented
4/9 1168

Daytona Atlantic Bank, Daytona Beach, Florida:
Application of Atlantic National Bank of Jacksonville and Atlantic Trust Company, both of Jacksonville, Florida, to become bank holding companies by acquiring shares of common stock of (a proposed new bank)
Issuance of order and statement approving authorized
12/4 4204

Edisto Bank, Denmark, South Carolina, proposed merger into The First National Bank of South Carolina of Columbia, South Carolina, report to the Comptroller of the Currency on competitive factors approved
6/7 1840

Equitable Trust Company, Baltimore, Maryland, proposed merger of First National Bank of Aberdeen, Maryland, into, report to FDIC on competitive factors approved
6/20 1992

Essex Trust Company, Essex Junction, Vermont, proposed merger into Howard National Bank and Trust Company of Burlington, Vermont, report to Comptroller of the Currency on competitive factors approved
7/8 2205
Nonmember banks: (continued)

Everett Trust and Savings Bank, Everett, Washington, proposal to acquire assets and assume liabilities of the Bank of Lake Stevens, Washington, report to FDIC on competitive factors approved

Farmers Bank of Trenton, Illinois, proposed acquisition of assets and assumption of liabilities of, by Community Bank of Trenton, Illinois, report to FDIC on competitive factors approved

Farmers-Deposit Bank of Sadieville, Kentucky, proposed merger into The First National Bank of Georgetown, Kentucky, report to Comptroller of the Currency on competitive factors, approved, reference to activities of proposed director of resulting bank led to question re adequacy of available data re chain banking activities

Farmers and Merchants Bank of Staunton, Virginia, proposed merger into Virginia National Bank, Norfolk, Virginia, report to Comptroller of the Currency on competitive factors approved


First-Citizens Bank & Trust Company, Smithfield, North Carolina, proposed merger of Carolina Industrial Bank, Asheville, North Carolina, into, report to FDIC on competitive factors approved

First Seneca Bank and Trust Company, Oil City, Pennsylvania, proposal to acquire the assets and assume liabilities of the First National Bank in Sharon, report to FDIC on competitive factors approved
Nonmember banks: (continued)

First State Bank of Camden, Michigan, proposed consolidation with Litchfield State Savings Bank, Litchfield, Michigan, report to FDIC on competitive factors approved

First State Bank of Wichita Falls, Texas, proposed merger of Texas Bank, Wichita Falls, Texas, with, report to FDIC on competitive factors approved

Gramatan Safe Deposit Corporation, Bronxville, New York, proposed merger of County Trust Company, White Plains, New York, and, report to FDIC on competitive factors approved

Grand Ledge State Bank, Grand Ledge, Michigan, proposed purchase of assets and assumption of liabilities of, and Loan and Deposit State Bank, Grand Ledge, Michigan, by Michigan National Bank, Lansing, Michigan, report to Comptroller of the Currency on competitive factors approved

Hamlin Bank and Trust Company, Smethport, Pa., proposed purchase of assets and assumption of liabilities of Kane Bank and Trust Company, Kane, Pennsylvania, report to FDIC on competitive factors approved

Hazelwood Bank, Pittsburgh, Pennsylvania, proposed consolidation with Western Pennsylvania National Bank, McKeesport, Pennsylvania, report to Comptroller of the Currency on competitive factors approved

Hilliard Bank, Hilliard, Ohio, proposed merger of, into City National Bank & Trust Company of Columbus, Ohio, report to Comptroller of the Currency on competitive factors approved
### Nonmember banks: (continued)

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<td>Home Savings Bank of Kalamazoo, Michigan</td>
<td>Proposed purchase of assets and assumption of liabilities by The American National Bank and Trust Company of Kalamazoo, Michigan, report to Comptroller of the Currency on competitive factors approved</td>
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<td>Lake County State Bank, Baldwin, Michigan</td>
<td>Proposed consolidation of Luther State Bank, Luther, Michigan, report to FDIC on competitive factors approved</td>
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<td>Litchfield State Savings Bank, Litchfield, Michigan</td>
<td>Proposed consolidation with First State Bank of Camden, report to FDIC on competitive factors approved</td>
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</table>
Nonmember banks: (continued)

Loan and Deposit State Bank, Grand Ledge, Michigan, proposed purchase of assets and assumption of liabilities of, and Grand Ledge State Bank, Grand Ledge, Michigan, by Michigan National Bank, Lansing, Michigan, report to Comptroller of the Currency on competitive factors approved.

Lucas County Bank, Toledo, Ohio, proposed merger of The State Bank of Toledo Company, Toledo, Ohio, into, report to FDIC on competitive factors approved.

Luther State Bank, Luther, Michigan, proposed consolidation of Lake County State Bank, Baldwin, Michigan, with, report to FDIC on competitive factors approved.

Marlboro Trust Company, Bennettsville, South Carolina, proposed merger into First National Bank of South Carolina of Columbia, South Carolina, report to Comptroller of the Currency on competitive factors approved.

Martell State Bank, Martell, Nebraska:
Application of Trans-Nebraska Company, Nebraska, to acquire stock of two other Nebraska banks and, denied

Issuance of order and statement authorized, Legal Division memorandum re possible guidelines for handling similar situations, presented.

Matawan Bank, Matawan, New Jersey, proposed merger of Central Jersey Bank and Trust Company, Freehold, New Jersey, and, report to FDIC on competitive factors approved.

Merchants & Savings Bank, Janesville, Wisconsin:
Application of First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, to acquire share of, issuance of order and statement denying application authorized

Petition for reconsideration of Board's order denying, and request to present additional evidence and interrogate witnesses, denied, order issued.
Nonmember banks: (continued)

Mill Hall State Bank, Mill Hall, Pennsylvania:
Application of Lock Haven Trust Company,
Lock Haven, Pennsylvania, to merge with, approved
Issuance of order and statement authorized

Montcalm Central Bank, Stanton, Michigan, proposed consolidation with The State Bank of Crystal, Michigan, report to FDIC on the competitive factors approved

New Jersey Trust Company of Long Branch, New Jersey:
Application by Asbury Park and Ocean Grove Bank, Asbury Park, New Jersey to merge with, approved
Issuance of order and statement authorized

New York Savings Bank, New York, New York, proposed merger of Bank for Savings in the City of New York, New York, into, report to FDIC on competitive factors approved

Northern Savings Bank, Columbus, Ohio, proposed merger into Huntington National Bank of Columbus, Ohio, report to Comptroller of the Currency on competitive factors approved

Northern State Bank, Appleton, Wisconsin, application of Valley Bancorporation to acquire stock of two other Wisconsin banks and, issuance of order and statement approving, authorized


Northwestern Bank, North Wilkesboro, North Carolina:
Report to FDIC on competitive factors re proposed merger of Bank of Burlington, North Carolina, into, approved
Nonmember banks: (continued)

Northwestern Bank, North Wilkesboro, North Carolina: (continued)

Proposed merger of Bank of Yanceyville, North Carolina, report to FDIC on competitive factors approved

12/18  4412

Palisades Trust Company, Englewood, New Jersey:

Application of Peoples Trust Company of Bergen County, Hackensack, New Jersey, for consent to merge with, approved, Governors Robertson and Mitchell dissenting

Issuance of order and statement authorized

10/10  3505

10/23  3620

Panhandle State Bank, Coeur d'Alene, Idaho:

Application of Bank of Idaho, Boise, Idaho, to merge with, approved

Issuance of order and statement approving, authorized, office of former bank to be operated as a branch of

4/9  1180

4/15  1218, 1230-32

Pennsylvania Bank and Trust Company, Titusville, Pennsylvania, proposed merger of Youngsville National Bank, Youngsville, Pennsylvania, into, report to FDIC on the competitive factors approved

11/6  3823

Peoples Bank, Adairville, Kentucky, proposed acquisition of assets and assumption of liabilities of, by the Adairville Banking Company, Adairville, Kentucky, report to FDIC on competitive factors approved

4/10  1190

Peoples Loan, Savings and Deposit Bank, Cambridge, Maryland:

Application by Union Trust Company of Maryland, Baltimore, Maryland to merge with, approved, Governors Robertson and Mitchell dissenting, operation of a branch incident to the merger approved

2/21  667

Issuance of order for approval with majority statement and dissenting statements of Governors Robertson and Mitchell authorized

3/1  734, 744-53
Nonmember banks: (continued)

Planter Bank, Sikeston, Missouri, William F. Denton, assistant examiner, FRBank of St. Louis, not to participate in the examination of, as long as his father is an officer or director 5/20 1654, 1551

Pleasantville Bank, Pleasantville, Maryland, proposal by First National Bank of Baltimore, Maryland, to merge with, report to Comptroller of the Currency re competitive factors approved 7/11 2255

Pompeii State Bank, Pompeii, Michigan, proposed consolidation with The Commercial National Bank of Ithaca, Michigan, report to Comptroller of the Currency re competitive factors approved 1/22 206

Producers Savings Bank, Green Mountain, Iowa: Competitive factors report to FDIC re proposed merger of, by Security Savings Bank, Marshalltown, Iowa, approved 12/10 4316

Establishment of a branch at the former office of, by Security Savings Bank, approved and consummated 12/20 4488, 4493

Reamstown Exchange Bank, Reamstown, Pennsylvania, proposed merger into Berks County Trust Company, Reading, Pa., report to FDIC on competitive factors approved 3/12 879

Reeves Banking and Trust Company, Dover, Ohio, proposed merger of Citizens National Bank of New Philadelphia, Ohio, report to FDIC on competitive factors approved 2/4 425

Reynoldsburg Bank, Reynoldsburg, Ohio: Proposed merger into City National Bank & Trust Company of Columbus, Ohio, report to Comptroller of the Currency on competitive factors approved 1/7 33

Supplement to application submitted, asking Board's earlier report, reiterated, advice to Comptroller 3/6 774, 804
Nonmember banks: (continued)

Royal Bank and Trust Company, Louisville, Kentucky, proposed merger into Bank of Louisville, Kentucky, report to FDIC on competitive factors approved

Scottish Bank, Lumberton, North Carolina, proposed merger into First Union National Bank of North Carolina, Charlotte, North Carolina, report to Comptroller of the Currency on competitive factors approved


Shelby County Bank, Botkins, Ohio, proposed merger into The Citizens Baughman National Bank of Sidney, Ohio, report to Comptroller of the Currency on competitive factors approved

State Bank of Toledo Company, Toledo, Ohio, proposed merger into The Lucas County Bank, Toledo, Ohio, report to FDIC on competitive factors approved

State Bank and Trust Company, Greenwood, South Carolina, proposed merger of Bank of Barnwell, South Carolina, into, report to FDIC on competitive factors approved

State Center Bank, Fresno, California:
Application of Wells Fargo Bank, San Francisco, California, to merge with, approved
Issuance of order and statement approving authorized

State Savings Bank, Westgate, Iowa, proposed purchase of assets and assumption of liabilities of, by First National Bank of Oelwein, Iowa, report to Comptroller of the Currency on competitive factors approved
Nonmember banks: (continued)

Stratford Trust Company, Stratford, Connecticut:
Proposed merger into City Trust Company, Bridgeport, Connecticut, report to FDIC on competitive factors approved

Operation of branches by City Trust Company, at 2366 Main Street and 3226 Main Street, Stratford, Connecticut, approved, provided the proposed merger of City Trust Company and The Stratford Trust Company is approved and consummated

Texas Bank, Wichita Falls, Texas, proposed merger of, with First State Bank of Wichita Falls, Texas, report to FDIC on competitive factors, approved

Tidewater Bank & Trust Company, Franklin, Virginia, proposed merger of, into Virginia National Bank, Norfolk, Virginia, report to Comptroller of the Currency approved

Titusville Trust Company, Titusville, Pennsylvania, proposed merger of Warren Bank and Trust Company, Warren, Pennsylvania, into, report to FDIC on competitive factors approved

Troy Citizens Bank, Troy, Ohio, report to the Comptroller of the Currency on the competitive factors in the proposed mergers of Tipp-Citizens National Bank, Tipp City, Ohio, and, into The Citizens National Bank and Trust Company, Piqua, Ohio, approved


Operation of a branch at 61 State Street, New London, Connecticut, approved provided proposed merger is approved and consummated
Nonmember banks: (continued)

Walkersville Bank, Walkersville, Maryland, proposed merger into Farmers and Mechanics-Citizens National Bank of Frederick, Maryland, report to Comptroller of the Currency on competitive factors approved 4/3 1137

Washington Trust and Savings Bank, Bristol, Va.: Application of Virginia Commonwealth Corporation, Richmond, Virginia, to acquire shares of, approved, Governor Robertson dissenting but reserving right to withdraw dissent 7/26 2455

Issuance of order, statement, and dissenting statement by Governor Robertson, authorized 8/16 2729, 2767-78

Orders extending period of time prescribed in orders of approval re application of Virginia Commonwealth Corporation, Richmond, Virginia, to acquire voting shares of Peoples National Bank of Pulaski, Virginia, and, authorized 10/8 3461, 3466


Woodbury Bank and Trust Company, Sioux City, Iowa, proposed merger of, into First National Bank of Sioux City, Iowa, report to Comptroller of the Currency on competitive factors approved 8/30 2977

Yellowstone Bank, Absarokee, Montana: Application for membership in FRSystem: Denial recommended by Division of Examinations, agreed to defer action for further discussion and subsequent information or developments 6/11 1876
Nonmember banks: (continued)

Yellowstone Bank, Absarokee, Montana: (continued)

Application for membership in Federal Reserve System: (continued)

Approved, following discussion and review of statistical data, with condition re amount of paid-in and unimpaired capital stock and other capital funds

York Bank and Trust Company, York, Pennsylvania, proposed merger with First National Bank and Trust Company, Hanover, Pennsylvania, report to FDIC on competitive factors approved

Notes:

Colwell Company, Los Angeles, California, inquiry re eligibility for discount by FRBanks, agreed notes not eligible for discount under section 13, FRAct, but available for advances under section 10(b), reply to Securities and Exchange Commission approved

Oaths of office:

Administration of, resolution designating the Chairman of the Board or any other Board member as an officer with authority to administer the oath of office to any new member of the Board

Okinawa:

Bank of the Ryukyus, question raised by First National City Bank of New York re eligibility of time deposits of, for exemption from interest rate limitations, determined not eligible, advice to FRBank of New York
"One bank" cases:
Mark One Corporation, Mineola, Texas, request for
determination re exemption from
holding company affiliate require-
ments except for purposes of sec-
tion 23A of FRA, agreed to con-
sider at a time when more Board
members were present

Orders:
Ann Arbor Bank, Ann Arbor, Michigan, approving
application to merge with Dexter
Savings Bank, Dexter, Michigan

Asbury Park and
Ocean Grove Bank, Asbury Park,
New Jersey, approving applica-
tion to merge with New Jersey
Trust Company of Long Branch,
New Jersey

Atlantic Trust
Company and Atlantic National Bank
of Jacksonville, both of Jackson-
ville, Florida, approving the ap-
plication to acquire voting shares
of Daytona Atlantic Bank, Daytona
Beach, Florida, (a proposed new
bank) under the Bank Holding Com-
pany Act

Bank of Idaho, Boise, Idaho, approving appli-
cation to merge with Panhandle
State Bank, Coeur d'Alene, Idaho

Bank of Jamestown, New York, approving appli-
cation to merge with Clymer State
Bank, Clymer, New York

Bank of South Haven, Michigan, approving appli-
cation to acquire the assets and
assume the liabilities of Peoples
State Bank of Bloomingdale,
Bloomingdale, Michigan, under
title of Citizens Trust and Sav-
ings Bank

Bank of Virginia, Richmond, Virginia:
Approving application to merge with The
Farmers Bank of Dinwiddie, Va.

Approving application to merge with Bank of
Henrico, Sandston, Virginia

Approving application to merge with Hallwood
National Bank, Hallwood, Virginia,
under the charter and title of
The Bank of Virginia
Orders: (continued)

Bankers Trust Company, New York, New York, approving application to acquire the assets and assume liabilities of First National Bank of Farmingdale, New York 7/26 2469, 2480

Bremer, Otto, Company, St. Paul, Minnesota:
Issuance of order for hearing on a request for a determination under section 4(c)(6), Bank Holding Company Act 4/29 1376, 1384
Mandatory hearing being continued to a later date by Hearing Examiner Schneider 5/6 1483
Board authorized issuance of order wherein Hearing Examiner recommended approval of application of 9/11 3098, 3124

Brenton Companies, Inc., Des Moines, Iowa, approving application to acquire stock of First National Bank of Davenport, Iowa (a proposed new bank) 3/27 1034, 1040


Citizens Trust and Savings Bank, South Haven, Michigan, approving application of Bank of South Haven, Michigan, to acquire the assets and assume the liabilities of Peoples State Bank of Bloomingdale, Michigan, under title of 10/15 3549, 3554-56

Commercial and Savings Bank of St. Clair, Michigan, approving application to consolidate with the Citizens State Bank of Emmett, Michigan 2/27 698, 709, 711

County Trust Company, White Plains, New York, approving application of, to merge with First National Bank of Brewsters, Brewster, New York 12/18 4442

Denver U.S. Bancorporation, Inc., Denver, Colorado:
Request for formal public hearing on application to become a bank holding company by acquisition of stock of Denver U.S. National Bank, Arapahoe County Bank, Littleton, and Bank of Aurora, Colorado 3/6 785, 809
Orders: (continued)

Denver U. S. Bancorporation, Inc., Denver, Colorado: (continued)

Motion granted for extension of time within which to file a reply brief in application of, to become a bank holding company

Issuance of order granting request for oral argument re application of, authorized

Approving application to become a bank holding company through acquisition of shares in Denver United States National Bank, Denver, Arapahoe County Bank, Littleton, and Bank of Aurora, Aurora, all in the state of Colorado, with Governor Mitchell's concurring statement and Governor Robertson's dissenting statement

Elyria Savings & Trust Company, Elyria, Ohio, approving application to consolidate with Grafton Savings and Banking Company, Grafton, Ohio


Fifth Third Union Trust Company, Cincinnati, Ohio, approving application to purchase assets and assume liabilities of Citizens Bank of St. Bernard, Ohio

First Colorado Bankshares, Inc., Englewood, Colo.:

Request for formal public hearing on application to acquire stock of Security National Bank, Denver, Colorado, a proposed new bank

Issuance of order granting request for oral argument re application of, authorized

Approving application to become a bank holding company by acquisition of voting shares of Security National Bank, Denver, Colorado
Orders: (continued)

First State Bank, Canisteo, New York, approving application to purchase the assets and assume liabilities of Greenwood Branch of Security Trust Company of Rochester, New York, and to establish a branch at the present location of Greenwood Branch.

First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin:
Denying applications to acquire shares of Merchants & Savings Bank, Janesville, Wisconsin, and American Bank and Trust Company, Racine, Wisconsin.
Denying petition for reconsideration of Board's Order denying application to acquire stock of Merchants & Savings Bank, Janesville, Wis.
Denying petition for reconsideration of Board's Order denying application for acquisition of stock of American Bank and Trust Company, Racine, Wisconsin.

Hackensack Trust Company, Hackensack, New Jersey, approving application to merge with Bank of Bogota, New Jersey.


Lorain County Savings & Trust Company, Elyria, Ohio, denying application to merge with Central Bank Company, Lorain, Ohio, with dissenting statement of Governor Shepardson in which Governor Balderston concurred.

Marine Corporation, Milwaukee, Wisconsin:
Denying application to acquire shares of Beloit State Bank, Beloit, Wis.
Approving extension of time for Marine National Bank of Waukesha, Wisconsin, to open for business as a subsidiary of
Denying petition for reconsideration of Board's Order denying application to acquire stock of Beloit State Bank, Beloit, Wisconsin.

1/30 293, 307-41
1/30 293, 367-76
1/17 141, 162
12/23 4513
1/30 293, 342-66
3/8 834, 836
5/22 1698, 1713
Orders: (continued)

Norfolk County Trust Company, Brookline, Massachusetts, approving application to consolidate with Wellesley Trust Company, Wellesley, Massachusetts 10/23 3607, 3629


Peoples Bank of Glen Rock, Pennsylvania, approving application to merge with Codorus National Bank in Jefferson, Codorus, Pennsylvania 2/8 510, 518-20

Peoples Trust Company of Bergen County, Hackensack, New Jersey: Approving application to merge with First National Bank of Wyckoff, New Jersey 2/15 573, 591-99

Approving application to merge with Palisades Trust Company, Englewood, New Jersey 10/23 3607, 3620

Security Savings Bank, Marshalltown, Iowa, approving application to acquire assets and assume liabilities of Peoples Savings Bank, Laurel, Iowa 11/6 3823

State Bank of Albany, New York, denying application to merge with Unadilla National Bank, Unadilla, New York 4/26 1344, 1367

Sullivan County Trust Company, Monticello, New York, approving application to merge with The National Bank and Trust Company of Port Jervis, New York, with Intercounty Trust Company, title of resulting bank 3/22 988, 1009-11

Sussex County Trust Company, Franklin, New Jersey, approving application to merge with Farmers National Bank of Sussex, New Jersey, under title of Bank of Sussex County 5/29 1794, 1802
Orders: (continued)

Trans-Nebraska Company, Lincoln, Nebraska, denying application to become a bank holding company by acquisition of stock of Martell State Bank, Sioux National Bank of Harrison, and Crawford State Bank

Union Trust Company of Maryland, Baltimore, Maryland:
Approving application to merge with Peoples Loan, Savings and Deposit Bank, Cambridge, Maryland
Denying application to merge with Farmers National Bank of Annapolis, Maryland

Valley Bancorporation, Appleton, Wisconsin, approving application to become a bank holding company by acquisition of stock of Appleton State Bank, Appleton, Bank of Black Creek, Black Creek, and Northern State Bank, Appleton, Wisconsin

Virginia Commonwealth Corporation, Richmond, Virginia:
Granting request for determination under section 4(c)(6), Bank Holding Company Act of 1956, with respect to Virginia Standard Corporation and State-Wide Insurance Agency, Inc.
Approved acquisition of voting shares of Washington Trust and Savings Bank, Bristol, Virginia, and Peoples National Bank of Pulaski, Virginia
Extending period of time prescribed in orders of approval of application of, to acquire voting shares of Washington Trust and Savings Bank, Bristol, Virginia, and The Peoples National Bank of Pulaski, Virginia

Wachovia Bank and Trust Company, Winston-Salem, North Carolina, approving application to merge with The Bank of Randolph, Asheboro, North Carolina

Wells Fargo Bank, San Francisco, California, approving application to merge with State Center Bank, Fresno, Calif.
Orders: (continued)

West Branch Bank and Trust Company, Williamsport, Pennsylvania, approving application to merge with Bank of Newberry, Williamsport, Pa., title of merged banks to be Northern Central Bank and Trust Company

Wilmington Trust Company, Wilmington, Delaware, approving application to acquire assets and assume liabilities of the Camden (Delaware) branch office of Baltimore Trust Company, Selbyville, Delaware

Organization for Economic Cooperation and Development:

Bogardus, Janet, Chief Librarian, FRBank of New York, Board interposes no objection to request from OECD for Miss Bogardus to serve as a consultant in Paris, France, beginning September 12, 1963, approximately, on a leave of absence without pay basis

Meetings, Economic Policy Committee, Working Party 2:

Travel to Paris by Mr. Reynolds to attend, authorized

Robert L. Sammons, Adviser, Division of International Finance, authorized to travel to Paris to attend, to be held July 15-16, 1963

Mr. Samuel I. Katz, Associate Adviser, Division of International Finance, authorized to attend, meeting in Paris, November 4-5, 1963

Meetings, Economic Policy Committee, Working Party 3:

January 22 and 23, 1963, Paris, France: Permission granted for Ralph A. Young, Adviser to Board and Director, Division of International Finance, after attending, to make a one-day stopover in London, England, to confer with officials of the British Treasury and the Bank of England, reimbursement on actual expense basis including official entertainment

Mr. Hersey authorized to attend in place of Mr. Young
Meetings, Economic Policy Committee, Working Party 3: (continued)

February 25-29, 1963, in Paris, Mr. Robert C. Holland, Adviser, Division of Research and Statistics, to accompany Mr. Ralph Young to, Governor Shepardson indicated possible necessity to share expenses with the Treasury for a dinner with respect to, referred to his previous authorization to approve representation expenses in connection with Mr. Young's attendance at Working Party 3 meetings

Report by Ralph A. Young on recently attended meeting of, held in Paris, France, understood that a similar report would be made at the forthcoming meeting of the FOMC

Mr. Gemmill authorized to accompany Mr. Young to meetings scheduled for latter half of June

Travel by Mr. Brill to Paris to attend, authorized

April 29-30, 1963, request from Mr. Young that his previous authorization to travel to Paris to attend, be expanded to include 2-day stopover in London to consult with British Bank and Treasury officials, approved

June 19-20, and July 10-11, travel by Mr. Young to attend meetings, authorized on actual expense basis, including official entertainment

Mr. Hersey, Adviser, Division of International Finance authorized to attend the meeting on July 10 and 11, 1963, also authorized to visit the German Federal Bank and the Bank of Italy
Meetings, Economic Policy Committee, Working Party 3: (continued)

Robert Solomon, Associated Adviser in the Division of Research and Statistics, authorized to travel to Paris to attend a meeting of, and to visit the Bank of France

Amendment to previous authorization for Mr. Ralph A. Young to attend meeting of, on July 12-13, 1963 in Paris, to meet with officials of the British Bank and Treasury in London on July 14-15, on basis of actual expenses including official entertainment

Report by Mr. Young on meetings of June 19-20 and July 10-11 and his visit at the Bank of England June 21-22

Meeting in Washington of, prior to annual meetings of International Monetary Fund and International Bank for Reconstruction, dinner for delegates of, approved, dinner to be held in Board's building September 27, 1963

Mr. Ralph A. Young, Adviser to Board and Director, Division of International Finance, to travel to Paris, France, for meetings of, November 1-7, 1963, and meeting with representatives of Bank of England and British Treasury, understood hotel suite to be reserved for the latter meeting and that reimbursement would be made on basis of expenses incurred during travel, including an allowance for official entertainment

Meetings, Economic Policy Committee, Task Force:

Mr. Daniel H. Brill, Adviser, Division of Research and Statistics, authorized to attend, in Paris, October 21, 1963, economic outlook for 1964 to be discussed at meeting, Mr. Brill to act as consultant
outside business and teaching activities:

FRBank officers and employees:

SEE: Indebtedness and outside business activities:

Staff of Board:

Board's rules re confidentiality of System affairs, personal financial transactions, and, accompanied by a memorandum re conflict of interest and ethical standards of conduct as provided under P.L. 87-849, transmitted to all Board employees and consultants with copies sent to the President of the United States

Survey of Board's staff by Division of Personnel Administration re, understanding that any individual reporting writing activity would be advised of policy regarding honoraria and royalties, Governor Shepardson reviewed information presented and found nothing to question

(Individual names)

Brinley, Rita D., Secretary, Division of International Finance, granted permission to do typing during evenings for a local architectural firm

Bryant, Thomas, Cafeteria Laborer, Division of Administrative Services, permission granted to work part-time at a gasoline service station

Crews, Esther G., Supervisor, Information Center, Division of International Finance, permission granted to work part-time in local department store

Dortch, Aaron, Operator (Xerox-Mimeograph) Division of Administrative Services, granted permission to work part-time as parking attendant

Fender, Irene M., Statistical Clerk, Division of Research and Statistics, granted permission to work on a part-time basis as a telephone solicitor for newspaper subscriptions to the Washington Evening Star
Outside business and teaching activities: (continued)

Gedanken, Irving L., Statistician, Division of Research and Statistics:
To teach an evening course in Statistics at American University 5/24 1755
Granted permission to perform work without compensation for U.S. Department of Health, Education and Welfare 7/16 2311

Graves, Walter W., Cafeteria Laborer, Division of Administrative Services, granted permission to work part-time for a home and auto supply company 12/9 4264

Hall, George R., Economist, Division of Research and Statistics, to serve as instructor for one week at the Maryland-Virginia Bankers School, while on a leave-without pay basis 8/6 2579

Harper, Gloria U., Secretary, Legal Division, granted permission to work part-time for the Washington Academy of Surgery 11/14 3956

Hart, Wilbert J., Messenger, Division of Administrative Services, granted permission to work on part-time basis for Aldo Cafe 7/19 2362

Harvey, Bert, Messenger, Division of Administrative Services, to work part-time for East Side Cab Company 8/6 2580

Hillard, Mary H. B., Statistical Assistant, Division of Research and Statistics, granted permission to work part-time at a local department store 10/28 3692

Jones, James T., Messenger, Division of Administrative Services, granted permission to work part-time in managing American Gas Stations 6/19 1977

Klein, Thomas M., Economist, Division of International Finance:
Permission granted to teach a graduate course in business cycles at George Washington University during the spring term 1/9 74
Granted permission to teach course in Money and Banking at Georgetown University during summer session 3/18 914
To teach graduate course in Macroeconomic Theory at George Washington University during Fall semester 10/2 3415
Outside business and teaching activities: (continued)

Kraft, Barbara A., Clerk-Stenographer, Division of Personnel Administration, permission granted to engage in an outside activity (typing) at her home after working hours 2/8 511

Melichar, Emanuel, Economist, Division of Research and Statistics, granted permission to teach a course in modern economics at the University of Richmond three evenings in January 1963 1/15 127

Neitzey, Norma L., Secretary, Legal Division, to do part-time stenographic work for Alderson Reporting Company, Washington, D.C. 6/7 1843

O'Connell, Thomas J., Assistant General Counsel, Legal Division, granted permission to teach an evening course in banking law as an Adjunct Professor of Law at Georgetown University Law Center 4/24 1320

Sammons, Robert L., Adviser, Division of International Finance:
Granted permission to do certain bibliography work for Pan American Union without compensation 2/20 652
Granted permission to do research on international aspects of a national wealth inventory for George Washington University 7/29 2501

Shay, Jerome W., Assistant General Counsel, Legal Division, granted permission to serve as a member of the Committee on Regulations, appointed by Commissioners of D.C. under child placement and adoption laws of the District, and as a representative of Family and Child Services of Washington 4/3 1138

Simmons, Allen E., Messenger, Division of Administrative Services, to work as a messenger for Western Union on weekends 5/24 1756
Outside business and teaching activities: (continued)

Solomon, Frederic, Director, Division of Examinations:

Granted permission to deliver a lecture on bank capital during the August 1963 session of School of Banking at University of Wisconsin, with the understanding that he would deliver the lecture while on annual leave and would accept compensation from the school.

Permission granted to participate in a panel discussion on bank supervision at the Stonier Graduate School of Banking at Rutgers University, Brunswick, New Jersey, while on annual leave, expenses to be paid by the school including an honorarium.

Staiger, David S., Economist, Division of Research and Statistics, to serve as an unpaid consultant to Deputy Assistant Secretary of Defense for Systems Analysis for the next sixty days.

Thompson, Abner, Multilith Operator, Division of Administrative Services, request to work part-time as an offset press operator for Darcel Graphic Arts, Inc., approved.

Wilson, Mary H., Minutes Clerk, Office of the Secretary, granted permission to work part-time for Air Force Associates.

Ozark Plaza Motor Hotel, Inc., capital stock of, acquired through foreclosure proceedings by Mercantile Trust Company, St. Louis, Missouri, not considered as a prohibited purchase of corporate stock under section 5136 of the Revised Statutes and section 9 of the FRAcT.
Pakistan:  
Pakistan Industrial Credit and Investment Corporation, Karachi, Pakistan:  
Consent granted for Bank of America, New York, New York to purchase additional shares of  
Consent granted to Irving International Financing Corporation, New York, New York, to purchase stock of  
Consent granted to Bank of America, New York, New York, to purchase additional shares of  
Consent granted to Irving International Financing Corporation, New York, New York, to purchase stock of, amended  
Consent granted to Morgan Guaranty International Finance Corporation, New York, New York, to purchase shares of

Panama Plumbing and Supply, Inc. (Plomeria Panama, S.A.), Balboa, Canal Zone, suit brought by First National City Bank of New York, Panama City Branch, against Angus O. Matheney, President of, legal questions asked by Congressman Schadeberg on behalf of Mr. Matheney, reply approved

Paper eligible for discount or as collateral for advances to member banks:
Following recommendation of Presidents' Conference, agreed that the System Committee on Eligible Paper should be discharged, understood that Chairman of the Presidents' Conference would be advised
Desirability of considering revision of Reg. A, suggested by Governor Robertson, proposed revision being drafted by staff reported by Mr. Hackley, question re need for revision before proposing legislative changes re eligibility requirements
Paper eligible for discount or as collateral for advances to member banks: (continued)

Proposed draft revision of Regulation A, eliminating provisions relating to "eligibility" in conformity with the proposed legislation, consensus of Presidents' Conference that the Board be urged to expedite, Chairman Martin indicated that a proposed draft revision would be given consideration in July, reported at the joint meeting.

Preliminary draft of proposed revision of Regulation A, discussed in light of recommended legislative changes requirements for, staff requested to draft letters to Senate and House Banking and Currency Committees explaining the need and submitting the draft legislation, and to FRBank Presidents informing them of the proposed legislation and requesting comments on proposed revision of Regulation A, understood that action would be cleared with Governors King and Mitchell before sending letters.

Draft letter to Chairmen of Senate and House Banking and Currency Committees, agreed letter would be revised for further consideration, proposed revision of Regulation A in light of, draft letter to Presidents of FRBanks regarded as satisfactory.


Patman, Wright, Congressman:
Advances by FRBanks to member banks, proposed legislation amending the FRAct to authorize, letters to Senator Robertson and, of the Senate and House Banking and Currency Committees approved.
Patman, Wright, Congressman: (continued)
Advances by FRBanks to member banks: (continued)
Reservations by, on certain aspects of the proposed legislation, Board's staff to study
Audit of Board's accounts for 1962, by Haskins & Sells, copy sent to, as Chairman of Senate Banking and Currency Committee
Bank merger applications filed during 1961 where resulting institution was to be a State member bank, furnishing to, Chairman of House Banking and Currency Committee as requested thru FDIC, no objection by Board, advice to Delivered to, with request to return to Board after Committee finished with them
Budgetary procedures of the FRBanks and actual budget figures for the FRBanks of Boston and New York for the first half of 1963, with copies of Board's letters accepting these budgets, transmitted to, per his request
Chain banking survey, letter agreeing to furnish further tabulations with respect to, as requested by
Defense Mobilization activities of Board for year ending June 30, 1963, request from Chairman Patman of Joint Committee on Defense Production requesting material re, Board complied
Directors, Class A and B, procedures for nomination and election of, copies of documents furnished by FRBanks transmitted to, Chairman of the House Banking and Currency Committee
Disappearance of certain Treasury certificates from vault at FRBank of San Francisco, minutes of meetings of FRBank of San Francisco Board of Directors, Executive Committee and Audit Review Committee during 1962, and certain reports of General Auditor, sent to, with report on incident and statement issued by President Swan at press conference
Patman, Wright, Congressman: (continued)

Disappearance of certain Treasury certificate from FRBank of Richmond, report re apparent inadvertent destruction of certificate transmitted to

Examination reports:
FRBanks of New York, Richmond, Chicago, and San Francisco, made during years 1960, 1961, and 1962, sent to, as Chairman of House Banking and Currency Committee

FRBanks of Boston, Philadelphia, Cleveland, Atlanta, St. Louis, Minneapolis, Kansas City, and Dallas made during years 1960, 1961, and 1962, sent to

FRBanks, work papers with respect to the 1962, requested by, Chairman of the House Banking and Currency Committee, Board agreed to provide

FRBanks, work papers with respect to the 1962, previously furnished to, criticism received from, Chairman of the House Banking and Currency Committee, alleging that certain memoranda has been removed from the files before being submitted to, Board's reply indicating all previously requested material was supplied, agreed to furnish missing memoranda and any other papers relating to

Expenditures of FRBanks:
Governor Balderston reported telephone conversation with, re request for explanation and justification of, Governor Balderston advised Chairman Patman that FRBanks were working vigorously filling his request and material would be supplied as quickly as possible
Patman, Wright, Congressman: (continued)

Expenditures of FRBanks: (continued)

Additional information on, resulting from educational programs and programs designed to impart information requested by, letter to Presidents of all FRBanks requesting an indication of the date when such information may be sent to the Board, approved

Request from, for information re, for tuition or other costs to attend schools, seminars, conferences, etc., and for "imparting information", letter to FRBanks asking for date information could be furnished, consensus that consideration should be given to reply to, and advice of prospective dates information would be available

Finance charges, H.R. 4070, a bill to assist in the promotion of economic stabilization by requiring the disclosure of, report to, Chairman of the House Banking and Currency Committee, endorsing the objective but indicating it inappropriate for Board to administer

H.R. 258 and S. 607, identical bills to authorize the establishment of Federal mutual savings banks, similar letters to Chairman Patman and Chairman Robertson of the Banking and Currency Committees of the House and Senate, transmitting an appraisal prepared by the staff and concurred in by the Board, approved
Patman, Wright, Congressman: (continued)

H.R. 5800, a bill to amend section 25 of the FRAct to transfer to the Comptroller of the Currency functions with respect to foreign branches of national banks, authorizing the Comptroller, rather than the Board, to approve the establishment of such branches and issue regulations concerning their powers, report opposing, approved for transmittal to, Chairman of the House Banking and Currency Committee

Minutes of meetings of Board of Directors of FRBank of New York:

Requested by Chairman Patman of the House Banking and Currency Committee, reported by Chairman Martin and Mr. Sherman, FRBank to study and contact Board later

Draft letter from FRBank of New York transmittin to, concurred in by Board, with question re including statement re concurrence of FOMC

Monetary policy, 24 questions from:

Board to decide whether to join in transmittal of a single reply, understood letters with questions sent to FRBank Presidents by

Letter to Chairman Patman indicated staff would prepare answers to meet personal views of Board members and FOMC Committee as a whole, approved

Joint response with no demurring statements sent to

Reports on competitive factors, request by, Chairman of the House Banking and Currency Committee for reports on competitive factors submitted by Board to the Comptroller of the Currency for November 16, 1961, to the present time, similar list furnished to FDIC and Justice Department, agreed to comply
Patman, Wright, Congressman: (continued)

Safekeeping of securities at FRBanks, materials re vault custody procedures at eleven FRBanks (excluding San Francisco) transmitted to Chairman Patman, House Banking and Currency Committee

Salary figures from bank examination reports, requested for use in the survey re management succession and compensation, letter indicating Board's willingness to supply, sent to

Surveys of insured commercial banks re compensation, succession of bank management, correspondent banking, and interest rates on business loans:

Request by, for suggestions on form and content of draft questionnaires and inquiry re Board's willingness to handle collection and tabulation of, questionnaires transmitted to FRBanks, understood that further consideration would follow receipt of comments from FRBanks

Discussion re expense to Board, lack of response from commercial banks receiving questionnaires as indicated by comments from FRBanks, and fact that covering letter to respondent banks and response from banks should be handled by House Banking and Currency Committee, letter to, approved

Letter to, agreeing to perform technical and editorial results for all respondents with supplemental assistance from outside service bureaus if necessary, reimbursement from Committee expected for out-of-pocket expenses in connection with correspondent banking survey
Penney, J. C. Company:  
Retail trade statistics, letter re department store reporting program and participation in the proposed national departmental reporting program, requesting contact with Mr. Coldwell, First Vice President of the FRBank of Dallas, and member of the Committee of Five

Peru:  
Peruano-Suiza de Fomenta e Inversiones Sociedad Anonima, Lima, Peru, consent granted Morgan Guaranty International Finance Corporation, New York, New York, to purchase additional shares of, sending of letter ratified

Philippines:  
Industrial Finance Corporation, Manila, Philippines:  
Permission granted Irving International Financing Corporation, New York, New York to purchase stock of

Proposed investment in stock of, by Marine Midland International Corporation, New York, New York, Board letter to Marine Midland noted that proposed investment would appear to qualify under "general consent" provisions of Regulation K

Philippines National Leasing Corporation, Manila, Philippines, consent granted First Chicago International Finance Corporation, Chicago, Illinois, to purchase shares of

Private Development Corporation of the Philippine Islands:  
Request for Wells Fargo Bank International Corporation, San Francisco, California, to invest in the proposed, upon receipt of appropriate documentation, Board to consider
Philippines: (continued)

Private Development Corporation of the Philippine Islands: (continued)

Consent granted to ten Edge Act corporations and one agreement corporation to purchase Class B shares of 3/19 939, 946-56
Purchase and holding of stock in excess of 10 per cent of capital and surplus by two Edge Act corporations approved 3/19 951, 952

Amendments re Board's consent granted to Boston Overseas Financial Corporation to purchase stock of, and to Irving International Financing Corporation to purchase stock of 5/15 1576, 1586-87

Photographs:

Federal Open Market Committee, request by two publications for pictures of, for use in articles, matter to be cleared with FOMC with understanding re arrangements if no objection expressed 4/4 1143

Physical examinations and other medical services:

Cafeteria employees:

Annual examination of, arrangements with Dr. Frederic D. Chapman confirmed with understanding re fee 1/7 42
Arrangements for Dr. Frederic D. Chapman to conduct annual physical examination to all employees in Board's cafeteria during 1964, at a fee of $125, approved 12/20 4491

Pre-Employment examinations:

Payment of additional $3 to Board's physician to cover cost of hemoglobin test for each pre-employment, resulting in increase from $10 to $13 and increase in such examinations for cafeteria employees from $25 to $28, approved 4/3 1138

Policy record, Board of Governors:

Annual report, 1962, record of policy actions approved for inclusion in 2/13 539
Policy record, Board of Governors: (continued)

Rates, discount:

Increase to 3-1/2 per cent at FRBanks of Boston, New York, Cleveland, Richmond, St. Louis, Minneapolis, and Dallas, approved, with agreement to approve a rate of 3-1/2 per cent for any other FRBank advising of the establishment thereof, Governor Robertson dissenting

Increase to 3-1/2 per cent at FRBanks of Philadelphia, Chicago, and San Francisco, approved

Increase to 3-1/2 per cent at FRBank of Atlanta, approved

Increase to 3-1/2 per cent at FRBank of Kansas City, approved

Regulation G, noncash items, amendment re definition of, approved

Regulation H, amendment to, adopted to conform with the revision of Regulation M, Governor Mills dissenting

Regulation K, revision of, adopted, effective September 1, 1963, Governor Mills dissenting

Regulation M, revision of, adopted along with the conforming amendment to Regulation H with Governor Mills dissenting

Regulation Q, amendment to supplement increasing maximum rates of interest payable on time certificates and deposits having a maturity of 90 days, to 4 per cent, approved

Regulation S, bank service arrangements, regulation implementing section 5 of the Bank Service Corporation Act, approved

Regulations T and U, amendments to supplement increase of margin and retention requirements from 50 per cent to 70 per cent approved with Governors Robertson and Mitchell dissenting (preferred 60 per cent), wire to all FRBanks and Branches, appropriate notice to be published in Federal Register
Policy record, Board of Governors: (continued)
Regulation Y, amendments to, approved, effective date to be determined following Board approval of forms F.R. Y-1 and F.R. Y-2

Policy record, Federal Open Market Committee:
Annual report, 1962:
  Record of policy actions approved for inclusion in

Annual report, 1963:
  Entries for January 8, 29, and February 12, 1963 approved for inclusion in, subject to agreed changes, understood that the staff was authorized to follow the procedure outlined by Mr. Young in submitting policy record entries to the Board for final approval during the remainder of the year
  Revised drafts of entries for meetings on March 5 and 26, 1963, approved for inclusion in
  Entries covering Committee meetings for period April-August 1963, proposed for inclusion in Board's 1963 Annual Report, in absence of quorum, agreed entries should be held for later consideration, criticism by Governor Mills re coverage of economic and financial situation discussed

Record of actions of:
  Time lag appropriate before making public, discussed in light of suggestions for submitting Board's annual report to Congress at earlier date than presently being submitted
  Preparation of, understood preliminary draft entries to be submitted as soon as possible after each meeting, and after receipt of comments, revised draft to be submitted, with view to placing entries in final form with minimum lapse of time
Policy record, Federal Open Market Committee: (continued)

Record of actions for 1962:

Requested by Congressman Reuss, Joint Economic Committee, in advance of submission of Board's Annual Report to Congress, letter approved to Senator Douglas advising that the record would be sent as soon as possible, Governor Mills dissenting.

Copies of record sent to Chairmen of Senate and House Banking and Currency Committees, noted.

Political affiliations:

Directors of FRBanks, 1915 resolution regarding, suggestion re studying, with view to lessening rigidity of its language, also suggested similar results might be achieved through judicious administration.

Longwell, J. H., Director and Deputy Chairman, FRBank of St. Louis, question re continued service if elected Mayor of Columbia, Missouri, in light of 1915 resolution, discussion as to whether office is civic or political in nature, agreement Board would interpose no objection to situation, Governor Mills dissenting.

Shepley, Ethan A. H., Class C director, FRBank of St. Louis, resignation in view of plan to stand for nomination as a candidate for political office.

Portugal:

LUSOFINA-Sociedade de Estudos Financeiros, SARL, Lisbon, Portugal, consent granted to Irving International Financing Corporation, New York, New York, to purchase stock of, with stated conditions.
Post Office Department:
Robbery, holdup of United States mail truck in Plymouth, Massachusetts, proposal to extend reward offer, after consultation with, noted without objection by Board

Shipments of new FRNotes:
Discussion re proposal of Brink's Incorporated with report to, as opposed to Post Office facilities, understood that Treasury and Post Office Departments would be contacted prior to further consideration by Board

Agreed Postmaster General Day might be contacted re Brink's, Inc., proposal re, following receipt of Treasury Department views

Proposal of Brink's, Incorporated, involving combination of air-truck transportation, Governor Mitchell to ascertain current views of Postmaster General re

Offer made by Brink's, Incorporated, to transport new currency from Washington to the various FRBanks and branches, no objection by Treasury and, Board would not object in principle to the use of private carriers, advice to Eliot J. Swan, Chairman of the Committee on Miscellaneous Operations

Stamp commemorating 50th anniversary of the FRSystem, views requested by the Committee on Bank and Public Relations of the Conference of Presidents re proposal with respect to issuance of, agreed to endorse the idea

Postal money orders:
Prepunched postal money orders, completion in April, 1963, of conversion to, reducing personnel and equipment costs at FRBanks, noted as factor in change in budgets for period of last half of 1963
Postal money orders: (continued)

Processing of, delays and errors in, noted in examination of FRBank of Philadelphia, belief that the matter has now been cleared

President of the United States:

Administrative Conference of the United States, letter to Bureau of the Budget transmitting comments re recommendations with respect to Federal administrative procedures in report to the President by, recommendation relating to the promulgation of a code of behavior governing contacts between persons outside and persons inside an agency to receive further study by the Legal Division

Conflict of interest and ethical standards of conduct as provided under P.L. 87-849, memorandum and copy of Board's rules re confidentiality of System affairs, personal financial transactions, and outside business activities, transmitted to all Board employees and consultants with copies sent to the President of the United States

Economic Report of the, record of policy actions of FOMC requested by Joint Economic Committee in connection with preparation of its report on, in advance of submission of Board's Annual Report to Congress, record to be made available as soon as possible, Governor Mills dissenting

Equal Employment Opportunity, Committee on, Board's regulations and procedures re non-discrimination amended to conform with amended Rules and Regulations of
President of the United States: (continued)

Financing of exports, report of the President's Committee No. 5 of the White House Conference on Export Expansion, request from Secretary of Commerce Hodges, requesting views and comments of Board on extending the term applicable to bankers acceptances from 180 to 365 days, staff to review draft letter in light of Board's discussion, reply approved in form most appropriate following the staff review

Foreign investments in the United States, Chairman Martin noted formation by the Administration of a group charged with studying the possibilities re, Vice President Coombs of the FRBank of New York and Mr. Ralph Young of the Board's staff to work with the group, other members of the Board's staff to be selected by Mr. Young

Foreign investments in United States securities, Robert F. Gemmill, Economist, Division of International Finance, designated to represent the Board on Presidential task force on

Management and administration of departments and agencies of Government, reply supporting the President's program re

Press statements:

Advances by FRBanks to member banks, proposed legislation amending the FRAct to authorize, as a substitute for the restrictive requirements relating to the "eligibility" of paper for discount or as security for advances by the FRBanks, press release issued with a copy of the Board's letter to the House and Senate Banking and Currency Committees
Press statements: (continued)
Bank of Virginia, Richmond, Virginia, letter transmitting Board's order, statement, and press release reflecting approval of the application of, to merge with The Farmers Bank of Dinwiddie, Virginia

Disappearance of Treasury certificates from vault of FRBank of San Francisco:
Report from President Swan that the Bank was preparing a statement in light of an article in the San Francisco Examiner re
Copy of statement issued by President Swan at press conference sent to Congressman Patman following his request
Report re incident given to certain Congressmen, not to be released to press by Board unless released by Congressmen

Discount rates:
Press release issued re increase to 3-1/2 per cent:
FRBanks of Boston, New York, Cleveland, Richmond, St. Louis, Minneapolis, and Dallas
FRBanks of Philadelphia, Chicago, and San Francisco
FRBank of Atlanta
FRBank of Kansas City

FRnotes, one dollar denomination:
Proposed press release announcing issuance of, to be enclosed with letter to FRBanks, would be submitted to Board for consideration prior to mailing of letter
Agreed that draft press release, in present form, would go out to FRBanks with letter approved earlier requesting comments
Press release re the issuance of new, reflecting consideration of comments received from FRBanks, approved with concurrence of Treasury Department subject to minor changes, to be issued on November 25, 1963, actually issued on November 26, 1963
Press statements: (continued)

Loan value of securities used for deposits required by Regulation T to meet margin calls re transactions executed before change in margin requirements, press release issued

Regulation of Comptroller of the Currency re investment securities, press release issued

Regulation H, amendment to, adopted to conform with the revision of Regulation M, Governors Mills dissenting, press release issued

Regulation K, revision of, draft of proposed changes issued for release

Regulation K, revision of, adopted with Governor Mills dissenting, statement for the press issued

Regulations K and M, redrafts of proposed revisions of, not to be issued to the press but copies to be made available upon request

Regulation M, revision of, adopted with Governor Mills dissenting, press release issued

Regulations M and K, redrafts of proposed revisions of, not to be issued to the press but copies to be made available upon request

Regulation Q, amendment to Supplement increasing maximum rate of interest payable on time certificates and deposits having a maturity of 90 days, to 4 per cent, approved, press statement released

Regulation S, Bank Service Arrangements, approved by Board, press statement issued

Regulations T and U, amendments to, increase of margin and retention requirements from 50 per cent to 70 per cent approved with Governors Robertson and Mitchell dissenting, press release to be issued this afternoon
Press statements: (continued)

Regulation Y, amendments approved, effective date to be determined following Board approval of forms F.R. Y-1 and F.R. Y-2, press release to be issued at that time

9/12 3135, 3148

Revenue bonds issued by State of Washington, Board ruled not to be "general obligations" of the State within the meaning of section 5136 of the Revised Statutes, suggested by Mr. Molony that a press release might be issued re, question of timing discussed

9/4 3027

Savings accounts of national banks, Board issued press statement re, stating that as members of the FRSystem national banks are subject to provisions of section 19 of the FRAct which prohibit such activities, as do Regulations Q and D

12/26 4550, 4553

Price Waterhouse & Co.:

Examination and supervision of FRBanks:

Procedures, proposal by Governor Robertson being reviewed by, comments expected in near future

2/13 538

Letter commenting on, distributed and referred to during discussion of

3/20 964

Further reference to views of, observations of techniques and procedures during 1962 commented on, inquiry from, re assignment in connection with, to be acknowledged

3/25 1017-32

Board in accord to grant request by House Banking and Currency Committee for access to documents re suggested changes in, as reviewed by Price Waterhouse

9/4 3034-36

Prices:

Commodity:

Question whether scattered price increases reported in recent weeks should be regarded as forerunners of upward movement in prices and wages, topic for discussion with FAC

4/30 1391, 1406
Prices: (continued)
Commodity: (continued)

Question re price increases: (continued)

Scattered price increases could be the forerunner of broader upward movement but competition pressures resulting from unused domestic capacity and manufacturers abroad will tend to discourage broad price rises in near future, views of FAC expressed at joint meeting 5/21 1664

Question whether competitive pressures resulting from unused domestic capacity, as well as from manufacturers abroad will continue to discourage rises in, topic for discussion with FAC 9/4 3019, 3046

Rises considered unlikely, however substantial rise in production reduces the competitive pressures resulting from unused domestic capacity, trend toward price stability, views expressed at joint meeting with FAC 9/17 3180

Farm land:
Continuing rise in level of, views expressed at joint meeting with FAC 2/19 632

Fluctuations:

Question whether there is a rise in prices developing or are price increases to remain selective, with decreases off-setting increases in over-all averages, topic of discussion with FAC 10/29 3698, 3704

Members of FAC do not believe that an over-all accumulative rise in prices is developing, tax cut may create inflationary pressures which would be reflected in price indices 11/19 4039

Princeton University:
Information furnished to Professor Goldfeld of, re daily data on float covering the post-war period, memorandum from Mr. Noyes recommending that Board comply with request, approved 12/16 4376, 4392
Printing:
Financial Institutions, report by interagency committee on, request by Chairman Heller of the Council of Economic Advisers for Board's contribution of $100 toward payment of printing costs of, no objection 4/17 1249
Increase in costs provided for in Board's budget for 1964, approved 12/9 4252, 4276
Textual Changes in the FRAct and Related Laws, printing of loose-leaf compilation, approved, with the expected overexpenditure for the Division of Administrative Services 11/5 3813

Proclamations:
Dual Banking System, Centennial of the: Proposed Executive proclamation entitled, proposed by the Treasury Department, containing reference to National Currency Act of 1863, reply to Bureau of the Budget indicating no comment 2/13 539, 550
Second draft reviewed, report by Mr. Hackley re telephone call from Council of Economic Advisers; Mr. Hackley authorized to inform Budget Bureau of Board's views, reference to term "centennial of the national banking system" 2/20 650

Profit and loss accounts:
FRBanks, proposed 1963 year-end entries to, noted without objection, understood that respective FRBanks would be advised by telegram 12/19 4459

Proxmire, William, Senator:
Relative Economic Growth Rates and Fiscal Monetary Policies, study by Mr. Sprinkel, Vice President of Harris Trust and Savings Bank, Chicago, Illinois, letter from, requesting evaluation of study, agreement with suggestion that each Board member could handle response, but that a draft reply would be prepared for Board consideration 7/25 2443
Public housing agency securities:
H.R. 5845, a bill to amend section 5136 of Revised Statutes:
One part of the bill to relax restrictions on national and State member banks with respect to underwriting, dealing in, and investing in, understood position to be taken along with other legislative proposals at forthcoming hearings before the House Banking and Currency Committee, to be discussed further at next Board meeting

Further discussion, testimony to be prepared for Chairman Martin consistent with Board discussions

Tenor of testimony questioned by Governor Mills, Board's position described by Chairman Martin

Public service:
Schott, Francis H., Manager, Foreign Department of the FRBank of New York, permission granted for extension of leave of absence with pay to continue to serve in the Office of the Under Secretary of the Treasury for Monetary Affairs

Trued, Merlyn N., formerly Assistant Vice President of FRBank of New York, appointment as Deputy Assistant Secretary of the Treasury, Board agrees that service is deemed to be in the public interest within the meaning of section 5A of the Rules and Regulations of the Retirement System

Publications:
American Banker, article on current monetary policy appearing in April 23, 1963, issue reflecting views expressed at meeting of FOMC, concern expressed by Governor Robertson
Publications: (continued)

Board of Governors:

Question re Board expressing views in, raised in light of suggestions re improvement in the FRBulletin, agreed that Chairman Martin would work with the staff in preparing a plan for reviewing the publication programs

FRBanks, Monthly Reviews of:

Questioned by Governor Mitchell in connection with discussion of FRSSystem publications, agreed Chairman Martin to work with staff in preparing a plan for reviewing the publication programs

FRSystem:

Philosophy behind and purposes of, following discussion re, and specifically re suggested improvements in FRBulletin, agreed Chairman Martin work with staff in preparing plan for reviewing publication programs of the Board and FRBanks

Purposes and Functions of, revised edition, discussion re memorandum from Mr. Young requesting authorization for publishing, authorization given with understanding that copies would be distributed without charge

Proposed publication of a simplified explanation of, Governor Shepardson authorized to explore the possibility of securing Miss Burr or some other person to develop

Journal of Commerce, article in, re FRBulletin, referred to in memorandum from Governor Robertson re FRBulletin

K. 2:

Applications received or acted on by the Board, question re possible announcement of Board action, agreed to obtain views of FRBanks before adopting procedure re
Publications: (continued)
K. 2: (continued)

Board agreed to institute expansion of, to include receipt and release of information re Puerto Rico:

Visits to banks in, to be made by Messrs. Leavitt and Poundstone, Division of Examinations, following survey of banking facilities in the Virgin Islands

"Q"

Quality Stabilization Act:
S. 774, a bill to amend the Federal Trade Commission Act, permitting manufacturers of brand products to establish, maintain, and enforce through the courts retail prices in the manner of the "fair trade laws", representative of the Division of Research and Statistics invited by the Budget Bureau and Department of Justice to submit a voluntary statement to the Senate Commerce Committee re, agreed that a voluntary report should not be made

Agreed to advise Budget Bureau to formally request Board's views

Letter to Budget Bureau re their request for Board's views approved, Board indicating it would not recommend enactment of

Questionnaires:
Bank debt reserves, study by Treasury Department, Board to send Treasury questionnaires to each State member bank, similar requests being made to Comptroller of the Currency and FDIC for national and nonmember insured banks, questionnaire to be returned with December 1963 reports of condition, Board's data processing staff to give assistance
Questionnaires: (continued)

Bank debt losses, questionnaire prepared by Treasury for use by State member banks in reporting supplementary information on maintenance of reserve for, to be forwarded to each State member bank in connection with forthcoming year-end call report, approved 12/19 4466, 4484

Correspondent banking, proposed survey of insured commercial banks re:

Draft questionnaire from Chairman Patman of the House Banking and Currency Committee and letter requesting suggestions on form and content of questionnaire and inquiring re Board's willingness to handle collection and tabulation of, questionnaire transmitted to FRBanks along with two other questionnaires re proposed surveys involving insured commercial banks, understood that further consideration would follow receipt of comments from FRBanks 7/8 2207

Letter to Chairman Patman of House Banking and Currency Committee, agreeing to perform technical and editorial services as well as punching and tabulating of results for all respondents with necessary supplemental assistance from outside service bureaus, reimbursement from Committee expected for out-of-pocket expenses 10/10 3504, 3523

FDIC advised Board that response to questionnaire had been less than full, understood FDIC to take steps to encourage replies from all banks that had not responded 11/7 2878

Discount rates at FRBanks:

Questions submitted to Board by House Banking and Currency Committee re the change on discounts and advances at FRBanks supplemental to Board members' appearance before Committee re, individual question directed to Governor Mills, questions placed in Congressional Record, understood draft reply would be prepared for consideration 7/25 2442
Discount rates at FRBanks: (continued)

Understood draft answers to questions 1-10 and 12-21 would be reviewed by staff in light of comments sent to Mr. Young for editorial changes, to be transmitted to Committee in final form satisfactory to Chairman Martin, answer to question 11, prepared by Governor Mills, also to be transmitted.

Information, disclosure of policies and practices of Federal supervisory agencies in gathering and disseminating information for public and Congress, reply to Chairman Moss of Foreign Operations and Government Information Subcommittee of House Committee on Government Operations, approved.

Interest rates on business loans, proposed survey of insured commercial banks re: draft questionnaire from Chairman Patman of the House Banking and Currency Committee and letter requesting suggestions on form and content of questionnaire and inquiring re Board's willingness to handle collection and tabulation of, questionnaire transmitted to FRBanks along with two other questionnaires re proposed surveys involving insured commercial banks, understood that further consideration would follow receipt of comments from FRBanks.

Management succession and compensation, proposed survey of insured commercial banks re:

Draft questionnaire from Chairman Patman of the House Banking and Currency Committee and letter requesting suggestions on form and content of questionnaire transmitted to FRBanks along with two other questionnaires re proposed surveys involving insured commercial banks, understood that further consideration would follow receipt of comments from FRBanks.
Questionnaires: (continued)

Management succession and compensation, proposed survey of insured commercial banks re: (continued)

Discussion on expense to Board, lack of response from commercial banks receiving questionnaires as indicated by comments from FRBanks, and fact that covering letter to respondent banks and response from banks should be handled by Committee, letter to Chairman Patman approved

Monetary policy, 24 questions dealing with general area of, and related matters, from Chairman Patman of House Banking and Currency Committee, agreement to request staff to undertake drafting of material to questions, Board to decide whether to join in single reply, suggestion Chairman Martin discuss questions with Mr. Irons, Chairman of Presidents' Conference, understood Committee also sent questions to FRBank Presidents

Letter to Committee Chairman, indicating Board's staff would prepare answers to meet personal views of Board members and FOMC Committee as a whole, approved

Joint response with no demurring statements was sent to Chairman Patman of House Banking and Currency Committee with a transmittal letter, noted that joint reply by FRBank Presidents had been completed

Retail credit survey form attached to memorandum of Mr. Noyes re proposed survey, which Board approved

Quinones, Dominga Maria, terms and conditions for operation of beauty shop in Board's building sent to
Radio transmitting frequency (Federal):
FRBank of Richmond, letter authorizing use of, assigned by Interdepartment Radio Advisory Committee, frequency to be used in visual aids such as graphs, charts, and flannel boards at banking seminars and other meetings 9/18 3212, 3233

Randall Commission:
Salaries of executives in the Federal Government, report being prepared by, certain information re salaries of FRBank officers sent to Budget Bureau for use in preparing supplemental information for 3/28 1053, 1067

Rates, FRBank of Atlanta:
Advances to individuals, partnerships, and corporations other than member banks under last paragraph of section 13, established at 5 per cent 7/23 2385
Advances under section 10(b) established at 4 per cent 7/23 2385
Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent 7/23 2385

Schedules approved:
1/4 2
1/7 32
1/11 89
1/22 205
1/31 379
2/8 508
2/20 646
2/27 698
3/8 833
3/20 959
3/29 1070
4/12 1199
4/24 1314
4/30 1391
5/10 1531
Rates, FRBank of Atlanta: (continued)
Schedules approved: (continued)

(Reestablished 7/11/63 - See telegram from Atlanta filed 332.003(6))

Rates, FRBank of Boston:
Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

Advances under section 10(b) established at 4 per cent

Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

5/22 1678
6/4 1812
6/17 1928
6/25 2052
7/2 2173
7/23 2385
8/2 2556
8/13 2700
8/27 2918
9/9 3072
9/16 3160
9/24 3297
10/2 3407
10/11 3526
10/23 3602
10/29 3697
11/8 3890
11/20 4068
12/4 4201
12/16 4375
12/27 4555

7/16 2307, 2317
7/16 2307, 2317
7/16 2307, 2317

1/4 2
1/9 63
1/22 205
2/5 439
2/20 646
3/6 773
3/19 938
4/2 1107
4/17 1244
4/30 1391
Rates, FRBank of Boston:  (continued)
Schedules approved:  (continued)

5/14  1562
5/27  1793
6/11  1875
6/25  2052
7/10  2218
7/16  2307
7/23  2375
8/6   2579
8/21  2831
9/3   2997
9/18  3211
10/15 3546
10/29 3697
11/13 3915
11/14 3946
12/10 4315
12/24 4527

Rates, FRBank of Chicago:

Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 5 per cent

7/18  2343

Advances under section 10(b) established at 4 per cent

7/18  2343

Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

7/18  2343

Schedules approved:

1/4   2
1/18  169
2/11  410
2/15  570
3/1   732
3/18  894
3/29  1070
4/12  1199
4/26  1343
5/10  1531
5/24  1753
6/7   1839
6/21  2027
7/8   2204
7/18  2343
Rates, FRBank of Chicago: (continued)
Schedules approved: (continued)

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Rates, FRBank of Cleveland:

Advances to individuals, partnerships, and corporations other than member banks under last paragraph of section 13, established at 5 per cent

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Advances under section 10(b) established at 4 per cent

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Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

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Schedules approved:

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Rates, FRBank of Cleveland: (continued)
Schedules approved: (continued)

9/27 3355
10/11 3526
10/25 3669
11/8 3896
11/15 4005
11/29 4139
12/16 4375
12/27 4555

Rates, FRBank of Dallas:
Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

Advances under section 10(b) established at 4 per cent

Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

1/4 2
1/11 89
1/25 268
2/8 508
2/15 570
3/1 732
3/18 894
3/29 1070
4/12 1199
4/26 1343
5/10 1531
5/24 1753
6/7 1839
6/17 1928
6/28 2133
7/16 2307
7/26 2453
8/9 2656
8/23 2906
9/6 3057
9/16 3161
9/27 3355
Rates, FRBank of Dallas:

(continued)

Schedules approved: (continued)

Rates, FRBank of Kansas City:

Advances to individuals, partnerships, and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

Advances under section 10(b), established at 4 per cent

Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

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Rates, FRBank of Kansas City: (continued)
Schedules approved: (continued)

(Reestablished 7/11/63 - See telegram from Kansas City filed 332.003(10))

Rates, FRBank of Minneapolis:
Advances under section 10(b) established at 4 per cent
Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4 per cent
Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

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Rates, FRBank of Minneapolis: (continued)

Schedules approved: (continued)

11/8  3890
11/15  4005
11/29  4139
12/11  4322
12/16  4375
12/27  4555

Rates, FRBank of New York:

Advances to individuals, partnerships, and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

Advances under section 10(b) established at 4 per cent

Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

7/16  2307, 2317

1/4    2
1/11   89
1/18   169
1/25   268
2/8    508
2/15   570
2/26   682
3/1    732
3/8    833
3/22   985
3/29   1070
4/5    1149
4/19   1260
5/3    1443
5/17   1631
5/24   1753
6/7    1839
6/21   2027
6/28   2133
7/16   2307
7/19   2355
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8/23   2906
9/6    3057
## Rates, FRBank of New York: (continued)

Schedules approved: (continued)

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## Rates, FRBank of Philadelphia:

Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

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Advances under section 10(b) established at 4 per cent

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Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

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Rates, FRBank of Philadelphia: (continued)
Schedules approved: (continued)

10/4 3434
10/21 3586
10/25 3669
11/8 3890
11/26 4094
12/9 4245
12/20 4488

Rates, FRBank of Richmond:

Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

Advances under section 10(b) established at 4 per cent

Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

7/16 2307, 2317
7/16 2307, 2317
7/16 2307, 2317

1/4 2
1/11 89
1/25 268
2/8 508
2/15 570
3/1 732
3/18 894
3/29 1070
4/12 1199
4/26 1343
5/10 1531
5/24 1753
6/7 1839
6/17 1928
6/28 2133
7/16 2307
7/26 2453
8/9 2656
8/23 2906
9/6 3057
9/16 3160
9/27 3355
10/11 3526
10/25 3669
Rates, FRBank of Richmond: (continued)
Schedules approved: (continued)

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Rates, FRBank of St. Louis:

Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent

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Advances under section 10(b) established at 4 per cent

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Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

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Rates, FRBank of St. Louis: (continued)
Schedules approved: (continued)

Rates, FRBank of San Francisco:
Advances to individuals, partnerships and corporations other than member banks under last paragraph of section 13, established at 4-1/2 per cent
Advances under section 10(b) established at 4 per cent
Discounts and advances to member banks under sections 13 and 13a established at 3-1/2 per cent

Schedules approved:

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11/29 4139
12/9 4245
12/16 4375
12/27 4555
Rates, FRBanks:

Discounts and advances:

Hypothetical question by Chairman Martin involving possibility of an international payments crises and as to whether an increase in the discount rate would be effective in such circumstances, discussed at joint meeting with FAC.

Increase to 3-1/2 per cent at FRBanks of Boston, New York, Cleveland, Richmond, St. Louis, Minneapolis, and Dallas, approved, with agreement to approve a rate of 3-1/2 per cent for any other FRBank advising of the establishment thereof, Governor Robertson dissenting, press release issued, notice to be published in the Federal Register.

Increase to 3-1/2 per cent at FRBanks of Philadelphia, Chicago, and San Francisco, approved.

Increase to 3-1/2 per cent at FRBank of Atlanta, approved.

Increase to 3-1/2 per cent at FRBank of Kansas City, approved.

Questions submitted by House Banking and Currency Committee re recent changes in discount rates at FRBanks for inclusion in Congressional Record, individual question directed to Governor Mills, understood draft reply would be prepared.

Questions submitted by the House Banking and Currency Committee in connection with the hearings re changes in, understood draft answers to questions 1-10 and 12-21 would be reviewed by staff in light of comments sent to Mr. Young for editorial changes, to be transmitted to House Banking and Currency Committee in final form satisfactory to Chairman Martin, question 11, prepared by Governor Mills also to be transmitted.
Readily marketable assets:
Commercial Associates, Inc., Pensacola, Florida, inquiry re necessity for Board's certification of the establishment of a reserve pursuant to section 5144, Revised Statutes, letter to FRBank of Atlanta, approved, discussion re reasons for Board favoring negative reply

Real estate credit:
Deterioration:
Question re symptoms of, topic for discussion with FAC

Some deterioration in lending standards observed, particularly in the field of, however lending standards generally consistent with sound banking practices, views expressed at joint meeting with FAC

National banks, Treasury draft bill to amend section 24 of the FRAct to permit national banks to make loans up to 80 per cent of the appraised value and for a term up to 30 years, unfavorable report to Bureau of the Budget approved, views of Governors Mitchell and Mills stated

Receptions:
House Banking and Currency Committee to visit FRBank of New York, reception to include representatives of New York City commercial banks, no objection to payment of costs by the Reserve Bank

Records:
Board of Governors:
Access to, Professor E. R. Wicker, of Indiana University, Bloomington, Indiana, authorized to have access to minutes and other records from the period of the beginning of the FRSystem to 1936 in connection with his temporary appointment on a contractual basis to review and evaluate the Board's records
Records: (continued)

Board of Governors: (continued)

Destruction of certain specified categories, submission of request for schedules for, to National Archives, authorized

Fiduciary powers of national banks, transfer to Comptroller of the Currency, memorandum from Mr. Masters outlining plan for, approved, estimated cost of photostating certain records for Board's files included in memorandum

Records Center:

Athens:

Employees, cancellation of salary structure applicable to employees of, resulting from closing of Athens office

Regulations, Board of Governors:

A:

Colwell Company, Los Angeles, California, inquiry re eligibility for discount by FRBanks, notes of, reply to Securities and Exchange Commission approved

Notes held by member banks, participations in which have been issued to correspondent banks, question re eligibility for rediscount, or as security for an advance by FRBanks, advice to FRBank of Boston

Revision of:

Desirability of considering, suggested by Governor Robertson, proposed revision being drafted by staff, reported by Mr. Hackley, question re need for revision before proposing legislative changes re eligibility requirements

Draft eliminating provisions relating to "eligibility" in conformity with the proposed legislation, consensus of Presidents' Conference that the Board be urged to expedite, Chairman Martin indicated that a proposed draft revision would be given consideration in July, reported at the joint meeting with Presidents
Regulations, Board of Governors: (continued)

A: (continued)

Revision of: (continued)

Preliminary draft discussed in light of recommended legislative changes re eligibility requirements of paper for discounts and advances to member banks, staff requested to draft letters to Senate and House Banking and Currency Committees explaining the need and submitting the draft legislation, and to FRBank Presidents informing them of the proposed legislation and requesting comments, understood that action would be cleared with Governors King and Mitchell.

Discussion re draft letters to Chairmen of Senate and House Banking and Currency Committees re proposed legislation, agreed that letter would be revised for further consideration, draft letter to Presidents of FRBanks regarded as satisfactory.


Discussion at meeting of discount officers of FRBanks, as reported by Mr. Holland of the Board's staff.

D:

Interpretation of banking laws and regulations, jurisdictional question re Board's right to, provisions of, indicate Board's right to interpret its own regulations and enforce them in case of a national bank, letter to Comptroller of the Currency, approved.

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http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
Regulations, Board of Governors: (continued)

D: (continued)

Savings deposits as defined in Regulation Q and, press release approved indicating Board's authority under, in light of interpretation by Comptroller of the Currency allowing corporations, associations, or other organizations operating for profit or otherwise to carry savings accounts in national banks

Employment policies, regulations re nondiscrimination amended to conform with amended Rules and Regulations of the President's Committee on Equal Employment Opportunity, copies distributed to all members of Board's staff

Foreign branches of national banks, regulation re powers of:

SEE: Regulations, Board of Governors:

M:

Amendment re definition of noncash items approved, effective January 1, 1964, to discourage the use of envelope drafts and other "headache" items not easily handled on automated check-processing equipment, letters to Association of American Railroads and Uni-Serv Corp. in light of their comments, and letter to FRBanks approved

H:

Amendment proposed to conform with proposed revision of Regulation M:

Memorandum from Messrs. Shay, Goodman, Furth, and Doyle submitting a redraft of Regulation M and

Adopted, Governor Mills dissenting

Jurisdictional question re interpretation of banking laws and:

Discussed in connection with question re Board's right to interpret Comptroller's regulations as applied to State member banks, agreed to send letter to Comptroller indicating Board's position, certain provisions of FRAct applicable to matter noted by staff, letter to be considered further
Regulations, Board of Governors: (continued)

Jurisdictional question re interpretation of banking laws and: (continued)

Further discussion indicating provisions of section 2 of the FRAct and Regulation D having a bearing on the Board's right to interpret its own regulations and enforce them in case of a national bank, letter to Comptroller of the Currency approved

5/6 1481, 1506

K:

Acceptance financing, reply to inquiry from Western Bancorporation, Los Angeles, California, re its subsidiary, Western Bancorporation International Bank, acting as agent for affiliated banks in cases involving, considered permissible under section 211.6(c) of

Acceptances:

Redraft of proposed revision of, no substantive changes from published draft with respect to

Reference to need for definite limitations re

Consensus favored treatment as found in the latest draft of, which favored the principle of keeping Regulations M and K as much alike as possible

Branches or agencies of corporations organized under section 25(a), FRAct:

Portion of present Regulation M relating to, to be added to Regulation K, in connection with proposed new Regulation M, relating to foreign branches of national banks

General agreement with the provision of section 211.6 of, relating to, as considered in connection with the redraft of the proposed revision of

4/19 1262, 1295

6/26 2094

7/3 2190

8/22 2865

1/21 190

6/26 2091
Debentures, issuance of, discussed in connection with redraft of proposed revision of, consensus favored, view expressed by Governor Mitchell that it would be better to state that if an Edge corporation wanted to issue, it should obtain prior approval of the Board.

Definition "engaged in banking", redraft of proposed revision of, two alternative provisions discussed, consensus favored second alternative stating that a corporation was "engaged in banking" whenever it had aggregate demand deposits and acceptance liabilities exceeding its capital and surplus, which would allow an Edge corporation to receive demand deposits and incur acceptance liabilities up to the amount of its capital and surplus without being considered to be "engaged in banking".

General consent for acquisition of stock by Edge Act corporations:

Section in proposed revision of Regulation K discussed, agreed clean draft of section be prepared.


Regulations, Board of Governors: (continued) K: (continued)

General consent for acquisition of stock by Edge Act corporations: (continued)

Discussion in connection with redraft of proposed revision of, agreed that general consent should be given to the acquisition of less than 25 per cent of the voting stock of a corporation engaged in banking

Language of revised draft of section 8 with respect to, acceptable to the Board, agreed to retain a provision indicating that Edge corporations could request an advisory opinion of the Board as to whether a particular acquisition would be covered by the general consent

Letters to the following companies, approved, terminating general consent for these companies to purchase and hold stock in generally designated types of organizations in view of adoption of a revised Regulation K; Bankers International Financing Company, Chase International Investment Corp., Chemical International Finance, Ltd., and Morgan Guaranty International Finance, all of New York; and Philadelphia International Investment Corporation, First Pennsylvania Overseas Finance Corp. and Company for Investing Abroad, all of Philadelphia, Pennsylvania

Guaranteeing extensions of credit or obligations to be reconsidered with respect to redraft of proposed revision of, after Board has discussed the guarantee provisions of Regulation M

Further discussion

Governor Mills opinion concerning, as given in the explanation re his dissenting vote with respect to the adoption of the revision of...
Regulations, Board of Governors: (continued)

K: (continued)

Investment in shares of other corporations, letter to Chase International Investment Corporation rescinding certain conditions relating to investment in stock of Arcturus Investment and Development, Ltd., Montreal, Canada, in keeping with the revisions of section 211.8 of Regulation K which became effective September 1, 1963

National purpose:
Question raised by Governor Shepardson with respect to certain wording in the statement of, alternative wording agreed upon in connection with the redraft of the proposed revision of

Consensus reached that the statement of, should be retained in section 211.1 with certain changes in the draft language

Organization and capital stock, discussed in connection with redraft of proposed revision of, no substantive changes made in the published draft, no indication of dissent

Reporting requirements:
Comment by Governor Shepardson re need for clarification of language in redraft of proposed revision of, with respect to, understood that this point would be borne in mind with a view to making appropriate changes before Regulation K is issued in final form

Question raised by Governor Shepardson with respect to the provisions of section 211.8 re, reply by Mr. Goodman with conclusion not to pursue the matter further at this time
Regulations, Board of Governors: (continued)

K: (continued)

Reports by Edge corporations, redraft of proposed revision of Regulation K
staff authorized to work out certain clarifying language to cover certain points

Revision of:
Proposal considered with proposed regulation re powers of foreign branches of national banks, question re congressional intent in passing the Edge Act, comment by Chairman Martin that Regulation K should be made useful or scrapped and new legislation requested

Agreed that draft of Regulation K would be further revised in light of suggestions, consideration to be given at next meeting re proposed revision of section 211.9, Investments in Stock of Other Corporations

Revised draft reviewed, portion re establishment of branches, section covering investments in stock of other corporations, and procedure re general consents discussed, agreed clean draft of section re investments be prepared and memorandum of Mr. Furth re equity investments be distributed

Revision dealing with investments in stock of other corporations, review of revised draft with an explanation of difference from previous draft, discussion re approach to insure that investments be carried out in a manner consistent with U.S. foreign policy and development of foreign commerce, misgivings by Governor Mills re equity investments with comments by Governors Mitchell and Robertson, understanding that further consideration would continue at another meeting
Regulations, Board of Governors: (continued)
K: (continued)
Revision of: (continued)
Legal Division requested to prepare a clean
draft with respect to 1/30 294
Further suggestion by Gov. Robertson
that staff study and submit views
re the effect of investments by
Edge and agreement corporations
on U.S. balance of payments, in
light of, general agreement re
suggestion 1/31 380
Legal Division draft reviewed, differ-
ences between present Regulation
K and, discussed, comments by
Messrs. Furth and Goodman re ef-
frect on U.S. balance of payments, investments by section 25(a) cor-
porations, and issuance of deben-
tures, statement of national
purpose of Edge Act corporations
reviewed, understood that Legal
Division would proceed with pro-
posed shortening and simplifying
of comments by Mr. Goodman re need
for expediting publication of
New draft reviewed by Governor Mitchell,
Legal Division to modify the
shortened draft and distribute
copies for Board consideration,
understood that the matter would
be placed on the agenda for a
report by Governor Mitchell on
Monday, March 11, 1963 2/18 607-10
Draft submitting proposed changes with
respect to national purpose, elim-
ination of distinction between
"banking" and "financing", stock
investment, restrictions on time
deposits, acquisition of credits,
and conformity with Regulation C
with respect to acceptance trans-
actions, authorized for publica-
tion in the Federal Register, press
release issued, copies to foreign
banking corporations, interested
Government agencies, FRBanks, and
Federal Advisory Council 3/11 853, 871
Regulations, Board of Governors: (continued)

K: (continued)

Revision of: (continued)

If adopted, would rescind the paragraph that restricted Corporacion Financiera de Fomento Industrial y Agropecuario, Cali, Colombia, from engaging in the business of receiving or paying out deposits, as one of the conditions imposed in granting Continental International Finance Corporation, Chicago, Illinois, permission to purchase shares in Financiera, likewise all Edge Act financing corporations would be advised that the condition was no longer applicable.

Reference to suggestion that representatives from the institutions that had submitted comments re the proposed, be afforded an opportunity to present their views to the Board, further consideration to be given.

Notice published in the Federal Register re proposed, suggestions in response to, Governor Mitchell felt that Board might consider and pass on a few basic suggestions and prepare a new draft, suggestion to be considered further at a later meeting.

Questions raised by Governors Mitchell and Mills re consideration of suggestions by Edge corporations and FRBanks and the preparation of another revised draft, decision to defer until tomorrow's meeting.

Second revision to be considered when full Board is present, preparation of memorandum by Governor Mitchell re comments received on the published proposal, understood acknowledgement would be sent to each Edge Act and agreement corporation and others who had commented.
Memorandum by Governor Mitchell and Messrs. Shay, Goodman, and Doyle submitting the edited version of the published revision with a clean copy of the redraft, opinions expressed and section-by-section analysis of the redraft of

Agreed that clean drafts of Regulations M and K, would be prepared on basis of discussion and transmitted to supervised institutions, FRBanks, and other interested parties for comment

Consideration of memorandum from Legal Division and Division of Examinations with revised draft incorporating agreed changes, agreed that the redrafts of Regulations M and K, reflecting today's discussion be sent to the affected supervised institutions, the FRBanks, and others for comments, no press release to be issued but copies to be made available upon request

Consideration of memorandum by Legal and Examinations Divisions and a section-by-section analysis of revised draft of

 Adopted, subject to understanding that changes agreed upon at this meeting would be incorporated, effective September 1, 1963, Governor Mills dissenting, published in Federal Register and press release issued

Staff authorized to make changes in forms of articles of association and organization certificates of Edge corporations, so as to conform with the provisions of the adopted
Regulations, Board of Governors: (continued)

K: (continued)

Revision of: (continued)

Suggestion by Governor Robertson to augment the staff of the Division of Examinations concerned with problems of international banking and financing, in light of the adopted, there appeared to be general agreement

Section 211.1, consensus reached that the statement of national purpose should be retained in, with certain changes in the language of the revised draft of

Sections 211.2, 211.3, 211.4, 211.5, and 211.6, no change to be made in the revised draft in the provisions of

Section 211.6(c) reply to inquiry from Western Bancorporation, Los Angeles, California, re its subsidiary, Western Bancorporation International Bank, acting as agent for affiliated banks in cases involving acceptance financing, considered permissible under

Section 211.7, operations in the United States, listing of specific types of business that would be permissible, Governor Mitchell expressed agreement with view of Division of Examinations that such a listing be included in, concurrence by other members of the Board

Section 211.8:

Agreed to retain a provision under, indicating that Edge corporations could request an advisory opinion of the Board as to whether a particular acquisition would be covered by the general consent

Question raised by Governor Shepardson with respect to reporting requirements in, reply by Mr. Goodman with conclusion not to pursue the matter further at this time
Regulations, Board of Governors: (continued)

K: (continued)

Section 211.8: (continued)
Letter to Chase International Investment Corporation, New York, New York, rescinding certain conditions relating to investment in stock of Arcturus Investment and Development, Ltd., Montreal, Canada, in keeping with the revisions of, which became effective September 1, 1963

Section 211.9:
Consensus favored treatment of acceptances as found in the latest draft revision under, provisions relating to limitations and restrictions, accepted without change

Section 211.10, relating to corporations with agreements under section 25 of the FRAct, accepted without change

Securities, underwriting, sale and distribution of, consensus that the provisions of the redraft of the proposed revision of, were acceptable

Study and review of, proposed revision of, reviewed

M:

Acceptances, powers of foreign branches relating to:
National banks indicated that provisions were too restrictive as published in draft of proposed revision of

Governor Mills indicated concern re liberality of

Further discussion

Reference to need for definite limitations re

Further discussion

Foreign branches of national banks:
Procedures re establishment of, under section 213.3, with respect to, approved for inclusion in proposed new regulation
Foreign branches of national banks: (continued)
Proposed new regulation re powers of, supplementing present Regulation M

Agreement re meeting with representatives of four national banks having overseas branches for presentation of their views with respect to proposed new regulation, date of meeting noted

Board's statutory authority with respect to the regulations of, none of the Board members present in favor of transferring such authority to the Comptroller of the Currency, question presented by Chairman Martin during discussion re revision of

Guaranties, powers of foreign branches of national banks relating to executing and delivering, under section 213.4(a):
Approved for inclusion in proposed new regulation

Indication that Board would be willing to accept something along the lines of the draft submitted on behalf of the national banks in combination with the paragraph in the staff redraft with the addition of an aggregate limitation on the amount of

Further discussion

Loans or extensions of credit to executive officers of national banks for housing:
Paragraph referring to, deleted from proposed new regulation
Agreed there should be a provision granting extension of credit up to an individual limit of $20,000
Regulations, Board of Governors: (continued)
M: (continued)
Revision of:
Favored by FAC, comments at joint meeting with Board
Memorandum from Messrs. Shay, Goodman, Furth and Doyle submitting a re-draft of, reflecting revisions relating to guarantees, acceptances, and investments in securities in light of objections raised by national banks, views expressed, inconsistencies between Regulations K and M to be worked out by staff, agreed that clean drafts of both regulations be prepared and transmitted to supervised institutions, FRBanks and other parties for comment
Consideration of memorandum from Legal Division and Division of Examinations with revised draft incorporating changes, agreed that the redrafts of Regulations K and, be sent to affected supervised institutions, FRBanks, and others for comments, no press release to be issued but copies to be made available upon request
Adopted along with the conforming amendment to Regulation H with Governor Mills dissenting, to be published in the Federal Register, issuance of press release, authorized
Letter to Comptroller of the Currency indicating that revision of Regulation M made it unnecessary for national banks to obtain Board approval before establishing foreign branches and investing in Edge Act corporations
Securities, investments in:
National banks indicated that provisions were too restrictive as published in draft of proposed revision of
Further discussion

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Pages

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Federal Reserve Bank of St. Louis
Regulations, Board of Governors: (continued)

0: Loans to executive officers of member banks, program of split-dollar life insurance for bank managerial employees, question from FRBank of Dallas and other FRBanks as to whether this program would result in a violation of section 22(g) of the FRAct, and, letter to all FRBanks indicating no violation involved 8/27 2919, 2940

Q: Absorption of exchange charges:
Practice of Arnold Savings Bank, Arnold, Missouri, in maintaining an account with a nonpar bank which paid nonpar checks without deducting exchange charges, discussed, agreed on no action at present time 6/26 2073, 2118
Memorandum from Legal Division as requested by Board re, problem to be taken up in mid-November meeting of FAC and subsequent meeting 10/10 3510
Memorandum discussed in connection with Board's position re, in preparation for discussion at joint meeting of FAC 11/18 4016
Amendment to Supplement increasing maximum rate of interest payable on time certificates and deposits having a maturity of 90 days to 4 percent, approved, to be published in Federal Register, press release issued, similar action taken by FDIC re time deposits in nonmember insured banks 7/16 2307-14-17
Indirect payment of interest, absorption of postage charges on weekly shipments of currency by a State member bank to a non-banking customer, Board's opinion that such absorption would not constitute an indirect payment of interest 1/18 170, 183
Regulations, Board of Governors: (continued)

Q: (continued)

Review of:

Legal Division to suggest possible amendments re, including review of time certificates of deposits with fixed maturities with possibility of considering them as savings deposits

Question re possible provision that trustees in bankruptcy be eligible to deposit funds in savings accounts, agreed to consider outside the context of over-all review, in light of urgency of question

Reference to request that the Legal Division undertake a comprehensive study of, also referred to in letter to Mr. Bolton

Problems presented by Legal Division relating to meaning of "interest", definition of "savings deposit", improper use of savings deposits, definition of "time deposit", payment of interest on demand deposits, maximum rates of interest, payment of time deposits before maturity, and withdrawal of savings deposits, reviewed

Savings accounts:

Associated Hospital Service:

Letter from Comptroller of the Currency to a national bank indicating opinion re eligibility under, for Associated Hospital Service to maintain a savings account with a national bank, understood that the staff would draft a letter to the Comptroller indicating Board's view that authority to define a savings deposit includes authority to declare who may have one
Regulations, Board of Governors: (continued)

Q: (continued)

Savings accounts: (continued)

Associated Hospital Service of Philadelphia:
Agreed to send reply to Comptroller's letter interpreting Regulation Q as to eligibility of, to maintain a savings account, copy of letter to be sent to Congressman Multer and to FRBanks, following the meeting a revised letter was approved

Reply to Comptroller of the Currency with respect to jurisdictional question re interpretation of banking laws and regulations, re-states Board's previously published interpretation with respect to the eligibility of, to maintain a savings account

Funeral home, question re deposit by, moneys deposited with the home by various individuals to cover the cost of future funeral services, under stated conditions, Board indicated that funds would qualify as a savings deposit under section 217.1(e)(1)(i) of

Officers' "Open" mess, considered to be eligible for classification as, under Regulation Q

Trustees in bankruptcy, eligibility of deposits of:
Question raised in light of amendment to Bankruptcy Act authorizing such trustees to deposit funds in interest-bearing savings deposits, understood staff to draft amendment to Regulation Q to provide that trustees in bankruptcy, liquidating agents, and receivers, are entitled to maintain, staff to obtain views of FDIC
Regulations, Board of Governors: (continued)
Q: (continued)
Savings accounts: (continued)
Trustees in bankruptcy, eligibility of deposits of: (continued)
Board's opinion that a deposit by a trustee in bankruptcy may not be classified as a savings deposit under, view concurred in by FDIC, letter to FRBank of San Francisco which raised question, approved, Governor Mitchell dissenting, understood interpretation would be published in Federal Register and FRBulletin 8/16 2734, 2791
Interpretation under, stating that accounts taken over by member banks may be treated as having been on deposit in the resulting bank for the same time period as in absorbed bank, allowing continued payment of the maximum 4 per cent on funds having been on deposit for 12 months, to be published in FRBulletin and Federal Register, advice to Presidents of all FRBanks 1/31 382, 403
Reply to John M. Dorer, Strasburg, Va., re a deposit with the State National Bank, Bethesda, Maryland 2/1 411, 415
United Security Account Plan of Citizens Bank & Trust Company, Park Ridge, Illinois, holders of Plan being advised of changes resulting in the discontinuance of the conflict with Regulation Q, letter to Presidents of all FRBanks transmitting a copy of the letter submitting the changes 3/1 739,755-56
Savings deposits:
Question by Beloit State Bank, Beloit, Wisconsin, whether deposits evidenced by forms of certificates with fixed maturities payable at a specified date or at the expiration of a specified time are deposits under, advice to FRBank of Chicago 6/11 1879, 1893
Regulations, Board of Governors: (continued)

Q: (continued)

Savings deposits: (continued)

Question re a member bank crediting interest semiannually on all savings accounts at a rate of 4 percent per annum and recomputing and adjusting the interest on any part of the savings deposit that does not remain in the bank for 12 months, permissible under, advice to FRBank of Dallas 6/24 2042, 2048

Maximum rates of interest payable on, question re establishing a flat 4 per cent maximum rate instead of present split rates of 3-1/2 per cent for deposits of less than one year and 4 per cent on deposits for one year or more, general agreement that no change be made at this time 7/16 2299-2301

Definition of, improper use of, tentative draft of possible revision of, prepared by Legal Division as requested by Board, to be considered at subsequent Board meeting 10/10 3510

Resolution adopted by the Board of Directors of FDIC re recommendation made by New Jersey Bankers Association that section 217.1(e) of Regulation Q and section 329.1(e) of the Rules and Regulations of FDIC be amended, and that an interagency conference of the Federal bank supervisory agencies be arranged to evaluate and study recommendations, understood that Governor Robertson would contact Director Wolcott for additional information 11/8 3895

Withdrawal of savings by common depositors of banks that propose to merge, no objection to a liberal interpretation under, with respect to interest on unexpired terms on 11/13 3916, 3935
Regulations, Board of Governors: (continued)
Q: (continued)
Savings deposits: (continued)
Press release approved indicating Board's authority under, in light of interpretation by Comptroller of the Currency allowing corporations, associations, or other organizations operating for profit or otherwise to carry savings accounts in national banks

Savings shares:
Request by Indian Head National Bank of Nashua, New Hampshire, for ruling re payment of interest at the maximum 4 per cent on funds, having been on deposit for 12 months, and represented as, and being acquired by purchase of assets and assumption of liabilities of Claremont Cooperative Bank, a building and loan association, agreed that letter would be re-drafted for further consideration

Letter to FRBank of Boston indicating no objection, approved

Section 217.1(e):
United Security Account Plan of Citizens Bank & Trust Company, Park Ridge, Illinois, holders of Plan advised of changes rescinding violation of, letter to Presidents of all FRBanks transmitting a copy of the letter submitting changes

Beloit State Bank, Beloit, Wisconsin, question whether deposits evidenced by forms of certificates with fixed maturities payable at a specified date or at the expiration of a specified period after date of issue could be classified as savings deposits under, advice to FRBank of Chicago
Regulations, Board of Governors: (continued)

Q: (continued)

Section 217.1(e): (continued)

Definition of savings deposits in, and section 329.1(e) of the Rules and Regulations of FDIC, to be amended as defined in resolution adopted by FDIC and recommended by the New Jersey Bankers Association, understood that Governor Robertson would contact Director Wolcott for additional information.

Section 217.1(e)(1)(i):

Question re deposit by a funeral home in a savings account moneys deposited with the home by various individuals to cover the cost of future funeral services, Board indicated that such funds would qualify as a savings deposit under.

Section 217.3(b):

Proposed amendment of, to require member banks to modify contracted interest rate payable on long-term time certificates to conform to any action by Board reducing maximum permissible rate, agreed to postpone publication pending discussion by Governor Robertson with Chairman of FDIC.

Reference to possible amendment of, providing for modification of the interest rate on long term certificates of deposit, in case of a reduction in the permissible rate, further consideration suggested re possible amendment of, in light of approved letter to FRBank of New York re interest rate on 20-year "time savings certificates" issued by the Franklin National Bank, Mineola, New York.
Regulations, Board of Governors: (continued)

Q: (continued)

Section 217.3(f):
Question under, whether an extra day's interest may be paid on time certificates of deposit which fall due on a day declared by State law to be a legal holiday, advice to Smith, Axtell and Howell, American National Bank Building, Jacksonville, Florida

Section 217.4(a) or (b):
Question re possible violation of, by deleting the name of one depositor from a 12-month time certificate of deposit originally issued jointly, agreed it would not constitute a violation of, but advisable to have consent of both depositors, advice to Exchange National Bank, Winter Haven, Florida, reference to a 1960 ruling re the transfer of a certificate, deciding factor as to whether or not the deposit is paid out by the member bank prior to maturity

Section 217.4(d):
Withdrawal of time certificates by common depositors of banks that propose to merge, no objection to a liberal interpretation of Regulation Q with respect to interest on unexpired terms on time certificates

Section 217.6:
Question re payment of maximum 4 percent interest rate on savings having been on deposit for 12 months in a bank taken over by a member bank, interpretation under, stating that such funds may be treated as having been on deposit in the resulting bank for same time period as in absorbed bank, to be published in FRBulletin and Federal Register, advice to Presidents of all FRBanks
Regulations, Board of Governors: (continued)
Q: (continued)

Section 217.6: (continued)
Terms of a time certificate of deposit as used by Oberlin Savings Bank Company, Oberlin, Ohio, question re compliance under, advice to FRBank of Cleveland 4/19 1261, 1280

Question re a member bank crediting interest semiannually on all savings accounts at a rate of 4 per cent per annum and recomputing and adjusting the interest on any part of the savings deposit that does not remain in the bank for 12 months, considered permissible under, advice to FRBank of Dallas 6/24 2042, 2048

Time certificates:
Proposed amendment to require member banks to modify contracted interest rate payable on, if necessary to conform to any action by Board reducing maximum permissible rate, agreed to postpone publication pending discussion by Governor Robertson with Chairman of FDIC, in light of disinclination of FDIC to amend its regulations re 1/7 35

Question re issuance under the name of "bank savings bonds" or "savings bonds" and advertising at a rate of 4 per cent due to compounding on a quarterly basis, advice to FRBank of Philadelphia re conformity with requirements of 1/30 289, 305

Possible amendment of, providing modification of the interest rate on, in case of a reduction in the permissible rate, further consideration suggested in light of approved letter to FRBank of New York re interest rate on 20-year "time savings certificates" issued by the Franklin National Bank, Mineola, New York 4/2 1110, 1125
Q: (continued)

Time certificates: (continued)

Terms used by Oberlin Savings Bank Company, Oberlin, Ohio, question re compliance under section 217.6 of, advice to FRBank of Cleveland 4/19 1261, 1280

Question whether member bank could continue to pay present maximum rate under a 3-year contract if Board during that period should reduce maximum permissible rate of interest, reply to First National Bank, Port Arthur, Texas, approved 7/1 35, 56

Maximum rates of interest payable under, increase for certificates having maturities of 90 days to 6 months and 6 months to one year urged by FRBank of New York, view expressed by Governors Balderston and Mills as well as staff members, suggested that comments be summarized and made available for further study, memoranda from Messrs. Furth, Dembitz, and Partee distributed later to Board 7/11 2255-61

Having different maturities, possible increase in maximum rate of interest payable on, discussed in relation to Euro-dollar rates, U.S. balance of payments problem, and possible increase in discount rates, extensive discussion, memoranda from Messrs. Furth, Dembitz, and Partee reviewed 7/16 2289

Having maturity of 90 days, amendment to Supplement increasing to 4 per cent maximum permissible rates of interest payable on, approved, to be published in Federal Register, press release issued, similar action taken by FDIC 7/16 2307-17
Regulations, Board of Governors: (continued)

Q: (continued)

Time certificates: (continued)

Proposal by Governor Robertson re placing a limit on the amount of such certificates a bank can have outstanding at one time

Question raised by Governor Balderson as to whether FRExaminers might be alerted in order to discuss proposal with banks, Governor Robertson not in favor unless examiners were to receive advance guidance or a definite policy statement from Board, no expression of any difference of view by other Board members

Exchange of outstanding certificates having maturities of 12 months or more, for new certificates having maturities of 90 days or more, in light of Board's recent action of increasing maximum rate on time deposits with maturities from 90 days to one year, would constitute payment of time deposits before maturity in violation of, advice to FRBank of Chicago

Question re deletion of the name of one depositor from a 12-month certificate originally issued jointly, agreed it would not constitute a violation of, advice to Exchange National Bank, Winter Haven, Florida

Tentative draft of possible revision of, prepared by Legal Division for further Board consideration

Withdrawal of, by common depositors of banks that propose to merge, no objection to a liberal interpretation of, with respect to interest on unexpired terms of

Question whether an extra day's interest may be paid on, when due day falls on a declared holiday, advice to Smith, Axtell and Howell, American National Bank Building, Jacksonville, Florida
Regulations, Board of Governors: (continued)

S:
Bank service arrangements, regulation approved and published in Federal Register, press statement issued, similar regulation adopted by FDIC with respect to nonmember banks

T:
Amendment to supplement, increasing margin and retention requirements from 50 per cent to 70 per cent, approved with Governors Robertson and Mitchell dissenting, wire to all FRBanks and branches, notice to be published in Federal Register

Loan value of securities used for deposits as required by, to meet margin calls re transactions executed before change in margin requirements, interpretation to be published in the Federal Register and released to the press

Pacific Coast Exchange, letter to FRBank of San Francisco re question as to length of time a FRBank acting as a committee of, must maintain records relating to extensions granted under, suggestion by Governor Mills that the FRBank be asked to explore the possibility of discontinuing this function, agreed that such a paragraph would be added

Reorganization or recapitalization, question whether transaction involving exchange of stock in Progress Manufacturing Corp. (held as collateral for margin loan by firm of Reynolds and Co.) for unlisted shares of Reading Tube Company, violated section 220.3(b), request from Securities and Exchange Commission for unpublished rulings of Board re similar question, furnishing of requested information approved
Regulations, Board of Governors: (continued)

T: (continued)

Section 220.3(b), transaction involving exchange of stock in Progress Manufacturing Corp. (held as collateral for margin loan by firm of Reynolds and Co.) for unlisted shares of Reading Tube Co., violated, or amounted to a reorganization or recapitalization under section 220.6(e), request from Securities and Exchange Commission for unpublished rulings of Board re similar question, furnishing of requested information approved 6/10 1858, 1872

Section 220.4(c)(3), proposed amendment to take the form of a paragraph to be added to, adapting the special account provisions to purchases of refunding securities, for the purpose of facilitating the acquisition by institutional investors of securities issued in a refunding operation where payment was to be made for the proceeds of redemption of the outstanding issue, publication in the Federal Register as a notice of proposed rule making, approved 7/24 2403

Section 220.6(e), reorganization or recapitalization under, certain interpretations of Board (unpublished) requested by Securities and Exchange Commission, in determining whether certain exchange of stock amounts to violation of section 220.3(b) or qualified under exception contained in, furnishing of information approved 6/10 1858, 1872

Special cash account provisions, proposed amendment to adapt, to purchases of refunding securities, for the purpose of facilitating the acquisition by institutional investors of securities issued in a refunding operation where payment was to be made from the proceeds of redemption of the outstanding issue, publication of the amendment in the Federal Register as a notice of proposed rule making approved 7/24 2403
Regulations, Board of Governors: (continued)

T and U:
Amended to increase margin and retention requirements from 50 to 70 per cent, press release to be issued, notice to FRBanks, and notice to be published in Federal Register, Governor Robertson and Mitchell dissenting

Substitution rule, discussion re change in margin requirements relating to rise in stock market prices, Governor Robertson suggested that Board consider eliminating the substitution rule relating to both Regulation T and U, Chairman Martin strongly against eliminating, feeling that change in substitution rule would tend to disrupt tenor of whole market

Further discussion

Travel:
Death of an employee while on official travel, recommended policy covering payment of expenses incident to, approved

Revision of paragraph 3 of section B of, effective October 9, 1963, to allow travel to Alaska and Hawaii to be authorized by the designated Board member or by the Division Head, whichever is necessary to conform with paragraphs 1 and 2 of section B

U:
Amendment to supplement increase of margin and retention requirements from 50 per cent to 70 per cent approved with Governors Robertson and Mitchell dissenting, wire to all FRBanks and branches, notice to be published in Federal Register

Loans by member banks collateralized by stocks and bonds, report on survey, transmitted to Securities and Exchange Com., reaffirmation of Board's position re extension of authority to include loans for purchasing over-the-counter securities, change in legislation required
Regulations, Board of Governors: (continued)

U: (continued)

Unregulated lenders, possible broadening of regulation to include, or possibility of separate regulation discussed in connection with proposed increase in margin requirements, feeling that too high a margin requirement would encourage unregulated lender to become active

Y:

Amendments approved, effective date to be determined following Board approval of forms F.R. Y-1 and F.R. Y-2, to be published in the Federal Register and FRBulletin, a covering press release to be issued

Regulations, Comptroller of the Currency:

Fiduciary powers of national banks and collective investment funds, Regulation 9, proposed revision of, staff memoranda re, to be transmitted to the Comptroller with a note from Chairman Martin, Governor Mills' reservations noted

Investment Securities Regulations:

Proposed revision of, comments requested from FRBanks to assist in preparing Board's report re possible effect on State member banks

Board in opposition to certain proposals which would in effect permit banks to underwrite and deal in revenue bonds in contravention to Congressional intent of sec. 5136, Revised Statutes, understanding re question of informing member banks re Board's position, letter with memorandum sent to Comptroller

Further discussion, indicated by Board that revenue bonds issued by State of Washington would not be "general obligations" of the State within the meaning of, and not eligible for underwriting by State member banks, advice to Morgan Guaranty Trust Co., N.Y., N.Y., with copies to all FRBanks
Regulations, Comptroller of the Currency: (continued)

Investment Securities Regulations: (continued)

Matter re revision of, to be deferred for further consideration, revision not to be published in FRBulletin

Board issued statement re proposed revision of, as it related to State member banks, copies to FRBanks, press release issued, understood statement to be published in Federal Register and FRBulletin

State member banks, applicability to:

Jurisdictional question whether Comptroller of Currency or Board should interpret provisions of national banking laws and, with respect to, matter still being studied

Question re Board's right to interpret regulations of, left for separate correspondence

Agreed to send letter to Comptroller indicating Board's position and referring to different interpretations by Board and Comptroller re eligibility of Associated Hospital Service to maintain a savings deposit, letter to be considered further

Further discussion, letter transmitted to Comptroller of the Currency

Trust powers of national banks and collective investment funds, Regulation 9, proposed revision of, understood two staff memoranda re, would be transmitted to the Comptroller with a note from Chairman Martin, Governor Mills' reservations noted

Regulations, Federal Deposit Insurance Corporation:

Bank service arrangements, regulation similar to that approved by Board (Regulation S), relating to nonmember banks, adopted by
Regulations, Federal Deposit Insurance Corporation: (continued)

Savings deposits, definition of, in resolution adopted by the Board of Directors of FDIC re recommendation by New Jersey Bankers Association, that section 217.1(e) of the Rules and Regulations of FDIC be amended, and that interagency conferences of the Federal bank supervisory agencies be arranged to evaluate and study recommendation, understood that Governor Robertson would contact Director Wolcott for additional information

Time certificates of deposit, long-term, disinclination of FDIC to change its regulations at this time with respect to contracted rates of interest payable on, agreed to defer publication of proposed amendment to Board's Regulation Q pending discussion by Governor Robertson with Chairman Cocke re

Relations with dealers in securities:

Open-end investment companies, service as director of two, and as president and director of a small business investment company which is a wholly-owned subsidiary of a member bank, Board not inclined to regard section 32 of the Banking Act of 1933 as prohibiting

(Individual names):
Anchor Company, corporate relationship with Investors Management Company, Inc., Elizabeth, New Jersey

SEE: Relationship with dealers in securities: Investors Management Company, Inc., Elizabeth, New Jersey:

APA, Incorporated, service of officer and director of a national bank as an agent of, in the sale of partnership units in programs for development of gas and oil properties by the Apache Corp., Board's position that partnership units are "other similar securities" within the meaning of sec. 32, Banking Act of 1933, and thus such service is prohibited, advice to FRBank of Minneapolis
Relations with dealers in securities: (continued)

Chase, John P., Inc., letter to FRBank of Boston expressing opinion that section 32 of Banking Act of 1933 forbids service of Howard Whitmore, Jr., Vice President of, as director of Newton National Bank, Newton, Massachusetts

Suggestion by Governor Balderston that a study of the rules of Securities Exchange Commission, in connection with regulated investment companies, might be helpful

Group Securities Incorporated, Jersey City, New Jersey, service of Dr. Paul W. McCracken as director of National Bank and Trust Co. of Ann Arbor, Michigan, while continuing to serve as director of, an open-end investment company, applicable to prohibition in section 32 of Banking Act of 1933, question re service as economic advisor for the bank to be taken up with the FRBank of Chicago

Hill Street Company, formerly Union Investment Company, comments requested by Securities and Exchange Commission re prospectus submitted by, an affiliate of Union Bank, Los Angeles, California, previous ruling re question of applicability of sections 32 and 20 of the Banking Act of 1933 reaffirmed, reply approved

Investors Management Company, Inc., ("Investors"), Elizabeth, New Jersey, proposed termination of caveat appended to Board's 1954 ruling on inapplicability of prohibition in section 32 of Banking Act of 1933 to certain of Investors' directors, dispensing with periodic reviews, involving corporate relationships between Investors and Anchor Company and Hugh W. Long and Company, Inc., Board concurs
Relations with dealers in securities: (continued)


SEE: Relations with dealers in securities: Investors Management Company, Inc., Elizabeth, New Jersey

McCracken, Dr. Paul W., service as director of Group Securities Incorporated, Jersey City, New Jersey, an open-end investment company, and director of National Bank and Trust Co. of Ann Arbor, Michigan, applicable to prohibition in section 32 of Banking Act of 1933, question re service as economic adviser to bank to be taken up with FRBank of Chicago

Plico Advisors, Inc., incorporated investment advisor to Plico Fund, Inc., interlocking service of individual as directors of State member banks and officers and directors of, prohibited by section 32 of the Banking Act of 1933 and Regulation R, advice to FRBank of Chicago re, questions submitted by group of private lawyers

Further discussion and letter to attorneys

Plico Fund Inc.:

SEE: Relations with dealers in securities: Plico Advisors, Inc.

Provident Life Insurance Company, sponsoring and controlling Plico Fund, Inc., question whether interlocking service of directors of member banks and, permitted under section 32 of the Banking Act of 1933, Board indicated in letter to FRBank of Chicago that it would need more information before giving an interpretation, question submitted by law firm to FRBank of Chicago

Further discussion and letter to attorneys

12/2 4160, 4179
9/4 3019, 3042
10/3 3421, 3427
Relations with dealers in securities: (continued)
Whitmore, Howard, Jr., Vice President of John P. Chase, Inc., letter to FRBank of Boston expressing opinion that section 32 of the Banking Act of 1933 forbids service of, as director of Newton National Bank, Newton, Massachusetts

Reorganization Act of 1949:
Extension of, H.R. 3496, a bill to extend for two years the, as amended, report to Chairman Dawson of the House Committee on Government Operations, approved

Reports:
Defense mobilization activities during the year ending June 30, 1963, including program for continuity of FRSystem functions in event of attack, bank preparedness, and V-loan program, sent to Chairman Patman, Joint Committee on Defense Production

Disappearance of certain Treasury certificates from vault at FRBank of San Francisco, report of incident, prepared as requested by Congressman Fascell, approved, including review of performance of FRBanks in safekeeping of securities
Report not to be released to press by the Board until released by parties to whom it had been furnished

Disappearance of certain Treasury certificate from FRBank of Richmond, report re apparent inadvertent destruction of certificate, transmitted to Congressman Patman

Dormant accounts (funds) proposed action of Fiscal Service, Treasury Department, in sending letter to all insured banks requesting reports re, approved by Board
Reports: (continued)

Economic Report to the President, policy record of FOMC requested by Joint Economic Committee in connection with preparation of its report on, in advance of submission of Board's Annual Report to Congress, record to be made available as soon as possible, Governor Mills dissenting

Financial institutions, interagency committee to study, revised draft of proposed report of, distributed, comments by Chairman Martin re position he should take on, at next meeting of, in light of possible division of opinion within Board, comments by Board members, matter to be considered further

Discussion re topics covered in report of, Board favorable to elimination of nonpar banking and unfavorable as a matter of principle to an increase in Federal deposit insurance, views and previous position re proposed legislation permitting Federal chartering of mutual savings banks discussed, views on report as a whole expressed

Question of absorption of exchange charges to be reviewed by Board following issuance of report of, matter discussed with reference to bank in St. Louis, Missouri

Request by Chairman Heller of the Council of Economic Advisers for Board's contribution of $100 toward payment of printing costs of, no objection

Fiscal Agency Operations, Subcommittee of Counsel on, report recommending destruction locally of $1 and $2 FRnotes, redemption on a formula basis to eliminate sorting by bank of issue, no change re denominations of $5 and up, and continuation of twelve separate issues of FRnotes, carried by vote of Presidents' Conference, reported at joint meeting
Reports: (continued)

Hours of work for employees of the Federal Government in Washington, report by General Services Administration recommending further staggering of, question re need for increase in lunch period to 45 minutes, Board willing to comply with other Government agencies, advice to Bureau of the Budget 7/8 2205, 2216

Reports on bills:

Administrative Conference of the United States, draft bill to establish a permanent, letter to Bureau of the Budget agreeing in principle with the objective of, and commenting on two objectionable features, approved 5/6 1478, 1503

Bretton Woods Agreement, draft bill to amend, to increase capital stock of International Bank for Reconstruction and Development, report sent to Budget Bureau 4/29 1375, 1381

Commodity Exchange Act, proposed amendment of, by Department of Agriculture, to regulate margin requirements on sugar futures to protect consumer and producer from such extreme price fluctuations that occurred early in 1963, Board letter to Budget Bureau indicated some form of regulation may be desirable 8/27 2919, 2942

Consolidated Farmers Home Administration Act of 1961, draft bill proposed by the Department of Agriculture, to amend, report to the Bureau of the Budget re 4/2 1110, 1127

Deposit insurance bill:

Draft bill to increase insurance for banks and savings and loan associations from $10,000 to $15,000, required reserves against time and savings deposits of nonmember banks and savings and loan associations, give advances, extend supervisory authority over liquidity positions, place authority to fix interest rates on standby basis, and strengthen provisions to prevent conflict of interests, report sent to Budget Bureau, Governor Mills dissenting 5/16 1599, 1627
Reports on bills: (continued)

Deposit insurance bill: (continued)

Revised draft, to increase deposit insurance coverage and for other purposes, omitting the former provisions, (1) making reserve requirements against time and savings deposits of nonmember banks, (2) giving nonmember banks access to Federal Reserve discounts and advances, and (3) requiring reserves against accounts of savings and loan associations, Budget Bureau to be informed that the Board is unable to express views by indicated deadline

Report to Budget Bureau approved, Governor Mills dissenting

Revised draft, now containing seven proposed changes, request for Board's views received from Treasury Department, agreed Board would not reply formally, telephone advice to be given Treasury and Budget Bureau

Formal report on second revised draft sent to Budget Bureau, Governor Mills dissenting

FRAct:

Section 23A, draft bill to amend, to exempt extensions of credit by a member bank to any subsidiary of the bank's Edge Act or agreement corporation from limitations of, agreed to suggest alternative by proposing amendment to section 25, FRAct, to accomplish objective, report sent to Budget Bureau

Section 24:

Treasury draft bill to amend, to permit national banks to make real estate loans up to 80 per cent of the appraised value and for a term up to 30 years, unfavorable report to Bureau of the Budget, approved, views of Governors Mitchell and Mills stated
Reports on bills: (continued)

FRAct: (continued)

Section 24: (continued)

Draft bill to further amend, to liberalize the conditions of loans by national banks on forest tracts, report to Bureau of the Budget, approved 6/12 1899, 1916

Memorandum re views of the Comptroller of the Currency with respect to, question within the Board re proposal but majority would not be prepared to oppose the measure vigorously, Chairman Martin to convey opinion to the Treasury 8/8 2609

Food stamp program, for needy householders, draft bill to authorize, report sent to Budget Bureau 2/4 426, 436

Home Owners Loan Act of 1933:

Draft bill to amend, to permit Federal savings and loan associations, and certain other members of Federal Home Loan Bank System, to act as trustees for trusts qualifying under section 401, Internal Revenue Code, as amended by Self-Employed Individuals Tax Retirement Act of 1962, report to Budget Bureau approved 3/6 776, 805

Draft bill to amend section 5 of, proposal by Federal Home Loan Bank Board to broaden investment authority to federal savings and loan associations to include obligations of all U.S., State, and local government entities, Board approved letter to Budget Bureau re their request for views, indicating it felt Federal Home Loan Bank Board should be strengthened first by appropriate legislation before considering additional investment powers of federal savings and loan associations 8/9 2661, 2677
Reports on bills: (continued)

Home Owners Loan Act of 1933: (continued)

Revised draft of bill to amend section 5 of, Internal Revenue Code of 1954, and section 689 of the Act of March 3, 1901, submitted by Federal Home Loan Bank Board, permitting savings and loan associations to act as trustees with respect to qualified stock bonus, pension and profit sharing plans, report to Bureau of the Budget approved.

H.R. 43, a bill to amend Title 28 of the United States Code to provide for a United States Administrative Court, report to Congressman Celler, Chairman of the House Judiciary Committee, approved.

H.R. 113, a bill which specifies that the budget submitted by the President to Congress includes an item for not less than $2 billion to be applied toward reducing the national debt, report sent to Congressman Dawson.

H.R. 258 and S. 607, identical bills to authorize the establishment of Federal mutual savings banks, similar letters to Chairman Patman and Chairman Robertson of the Banking and Currency Committees of the House and Senate, transmitting an appraisal of, approved.

H.R. 729, a bill to establish a Federal Deposit and Savings Insurance Board, draft letter expressing views of the Board as a whole re, to be prepared for consideration and transmission to Congressman Multer, Chairman of the Subcommittee on Bank Supervision and Insurance, prior to testimony on May 8, by four Board members, each testifying on a personal basis.
Reports on bills: (continued)
H.R. 729: (continued)
Letter to Congressman Multer opposing proposed legislation approved unanimously

H.R. 867, a bill to amend Budget and Accounting Act of 1921, to provide for retirement of the public debt, by setting aside specified percentages of budget receipts for that purpose, report sent to Congressman Dawson

H.R. 886, a bill to amend Budget and Accounting Act of 1921 to provide for retirement of the Public debt by setting aside specified percentages of budget receipts for that purpose, report sent to Congressman Dawson

H.R. 889, a bill to amend Budget and Accounting Act of 1921 to provide for retirement of the public debt by setting aside specified percentages of budget receipts for that purpose, report sent to Congressman Dawson

H.R. 1711, a bill to amend the Employment Act of 1946 to establish policies with respect to productive capital investments of the Government, report sent to Congressman Dawson

H.R. 1920, a bill to amend Budget and Accounting Act of 1921 to provide for retirement of the public debt by setting aside specified percentages of budget receipts for that purpose, report sent to Congressman Dawson

H.R. 2413, a bill to amend Budget and Accounting Act of 1921 to provide for retirement of the public debt by setting aside specified percentages of budget receipts for that purpose, report sent to Congressman Dawson
Reports on bills: (continued)

H.R. 3289, a bill to amend Budget and Accounting Act of 1921, to provide for retirement of the public debt by setting aside specified percentages of budget receipts for that purpose, report sent to Congressman Dawson

H.R. 3496, a bill to extend for two years the Reorganization Act of 1949, as amended, report to Chairman Dawson of the House Committee on Government Operations approved

H.R. 4070, a bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extension of credit, report to Congressman Patman, Chairman of the House Banking and Currency Committee, endorsing the objective but indicating it inappropriate for Board to administer

H.R. 4413, a bill to repeal the silver purchase laws and provide for replacement of silver certificates by FRnotes, draft statement for Chairman Martin to present before the House Banking and Currency Committee re, views expressed, understood that the statement would be put in final form satisfactory to the Chairman with Governor Mills dissenting from the position expressed

H.R. 5389, an enrolled bill to repeal certain legislation relating to the purchase of silver, and for other purposes, report sent to Budget Bureau

H.R. 5800, a bill to amend section 25 of the FRAct to transfer to the Comptroller of the Currency functions with respect to foreign branches of national banks, so that the Comptroller, rather than the Board, would be authorized to approve the establishment of such branches and issue regulations concerning their powers, report opposing, approved for transmittal to Congressman Patman, Chm. of the House Banking and Currency Committee
Reports on bills: (continued)

H.R. 6789, companion bill to S. 1642, a bill to amend the Securities Exchange Act of 1934 and Securities Act of 1933, to extend coverage to certain over-the-counter stocks including bank stocks, report similar to that on S. 1642 sent to Chairman Harris, House Committee on Interstate and Foreign Commerce 6/19 1976

H.R. 7879, a bill to establish a Department of Consumers within Federal Government, unfavorable report to Chairman Dawson of House Committee on Government Operations 8/21 2836, 2845

Indians and Indian organizations, loans to, draft bill proposed by Department of the Interior to provide for guaranty and insurance of, letter to, indicating no comments 10/4 3435, 3440

Indian revolving loan fund, draft bill to amend the law establishing, proposed by Department of Interior, report sent to Budget Bureau 2/26 683, 693

Inter-American Development Bank, Treasury draft bill to provide for increased participation by the U.S. in the, and for other purposes, report to Bureau of the Budget interposing no objection 5/9 1511, 1520

International Development Association Act, Treasury draft bill to amend, to increase resources of IDA, memorandum from Ralph A. Young, Adviser to Board and Director, Division of International Finance, recommending that Budget Bureau be advised by telephone that Board would have no objection to Treasury draft bill to amend IDA Act 9/16 3161, 3172

Mint, Bureau of, proposed bill by the Treasury, to authorize the construction and equipping of buildings required in connection with operations of the, favorable consideration urged in report to Bureau of the Budget in light of shortage of coins 2/8 509, 517
Reports on bills: (continued)

Revised Statutes, draft bill to amend section 5200, to increase the limit on the maximum liability of a single borrower to a national bank, unfavorable report sent to Budget Bureau 7/10 2219, 2249

S. 374 and S. 474, bills to provide for establishment by Federal Home Loan Bank Board of an International Home Loan Bank, report to Senator Robertson approved for transmittal, following meeting and after further discussion by Board, agreed report would not be sent at this time, request for report subsequently withdrawn by Senator Robertson 2/18 603, 604

S. 607 and H.R. 258, identical bills to authorize the establishment of Federal mutual savings banks, similar letters to Chairman Robertson and Chairman Patman of the Banking and Currency Committees of the Senate and House, transmitting an appraisal of, approved 4/2 1112, 1128-29

S. 691, a bill to require public hearings to be held in each State affected by a proposed agency rule, if timely protest is filed after notice of proposed rule is published in Federal Register, Board's view proposed legislation not needed, report sent to Senator Eastland 3/4 759, 770

S. 731, a bill to repeal certain legislation relating to purchase of silver, to authorize FRBanks to issue FRnotes in $1 denomination, and to terminate the special tax on transfers of silver bullion, report sent to Senator Robertson 2/14 553, 564

Reference to issuance of FRNotes in $2 denomination 2/14 553, 564

S. 750, a bill to require disclosure of finance charges in extension of credit, to assist in promotion of economic stability, report sent to Senator Robertson 2/20 647, 660
Reports on bills: (continued)

S. 774, referred to as the Quality Stabilization Act, a bill to amend the Federal Trade Commission Act, to permit manufacturers of brand products to establish, maintain, and enforce through the courts retail prices in the manner of the "fair trade laws", representative of the Division of Research and Statistics invited by the Budget Bureau and Department of Justice to submit a voluntary statement to the Senate Commerce Committee, agreed that a voluntary report should not be made

Agreed to advise Budget Bureau to formally request Board's views

S. 774, referred to as Quality Stabilization Act, a bill to amend Federal Trade Commission Act to permit manufacturers of brand products to establish, maintain, and enforce through courts retail prices for goods bearing their brand, name, or trademark, letter to Budget Bureau re their request for Board's views approved unanimously, Board indicating it would not recommend enactment of

S. 810, S. 811, and S. 2130, bills to improve marketability of mortgages not presently underwritten by Federal Government, letter to Chairman Robertson of Senate Banking and Currency Committee reporting on, Board believes that certain questions arising from these proposals should be carefully considered before action is taken with respect to any of the three

S. 828, a bill to grant national and State member banks limited authority to underwrite revenue bonds, letter to Senator Robertson, Chairman of Senate Banking and Currency Committee, stating Board does not favor enactment of, believes, however, that legislation clarifying meaning of term "general obligation" as used in sec. 5136 of Revised Statutes is urgently needed
Reports on bills: (continued)

S. 874, a bill to authorize construction and equipping of buildings required in connection with operations of Bureau of the Mint, favorable consideration urged in light of recurring coin shortages, report sent to Senator Robertson

A bill authorizing construction and equipping of buildings required in connection with Operations of Bureau of the Mint, Board strongly recommends approval by President, letter to Bureau of the Budget recommending Board's approval of, in light of coin shortages

S. 1200 and S. 2226, bills that would authorize Federal Housing Administration to compensate mortgagors for structural defects in insured homes, letter to Senator Robertson, Chairman of Banking and Currency Committee, approved, Governor Mills' adverse views on Board's position re, having been noted

S. 1331, a bill to authorize the Treasury to issue "constant purchasing power" bonds, which would contain adjustments in maturity and redemption values to compensate for increases in cost of living, to assist individuals to obtain protected retirement benefits, Board does not recommend favorable consideration, report to Budget Bureau

S. 1642, a bill to amend Securities Exchange Act of 1934 and Securities Act of 1933, to extend coverage to certain over-the-counter stocks including bank stocks, report sent to Senator Robertson, Chairman of Senate Banking and Currency Committee, with memorandum commenting on certain problems
Reports on bills: (continued)

S. 1642, a bill to amend Securities Act of 1933 and Securities Exchange Act of 1934, Board approved letter to Chairman Oren Harris of House Committee on Interstate and Foreign Commerce, Governor Mills dissenting, Board did not favor extending coverage of bank stocks to Federal bank regulatory agencies, Board believes they should be administered by SEC, Board had similar reaction to H.R. 6789

S. 1663, a bill to amend Administrative Procedure Act, letter to Senator Eastland, Chairman of Senate Judiciary Committee, reporting on, approved, Board is in favor of, but lists those points which it feels would hamper its work, suggests that action be deferred until decision was made re establishment of a permanent Administrative Conference Report sent to Chairman Eastland, of Senate Judiciary Committee concerning Board authorized sending of copies of report to such agencies that requested them

S. 1664, a bill to create an Administrative Conference of the U.S. to provide for continuous improvement of the administrative procedure of Federal agencies, Board in favor of objectives but questions proposed composition of membership, report sent to Chairman Eastland, Committee on the Judiciary

S. 1666, a bill to amend the Administrative Procedure Act, section 3, to clarify and protect the right of the public to information, Board favorable to stated purposes, but questions provisions re, disclosure of certain confidential information, and disclosure of vote of Board members in all proceedings, report sent to Chairman Eastland, Senate Judiciary Committee
Reports on bills: (continued)
S. 1680, a bill to establish an Office of Consumers within the Federal Government, unfavorable report to Senator McClellan, Chairman of the Committee on Government Operations

S. 2130, S. 810, and S. 811 re mortgages, bills to improve marketability of mortgages not presently underwritten by the Federal Government, letter to Chairman Robertson of Senate Banking and Currency Committee reporting on, Board believes that certain questions arising from these proposals should be carefully considered and resolved before action is taken with respect to any of the three bills

S. 2226 and S. 1200, bills that would authorize Federal Housing Administration to compensate mortgagors for structural defects in insured homes, letter to Chairman Robertson of Senate Banking and Currency Committee, approved, Governor Mills' adverse views on Board's position re having been noted

S. 2228, a bill to amend section 5145 of the Revised Statutes, to change the requirements for the annual meeting date for national banks, the bill would also make a technical conforming amendment to section 5149 of the Revised Statutes, letter to Bureau of the Budget recommending approval of

S. 2259, a bill to amend section 24 of FRAct to liberalize conditions of loans by national banks on forest tracts, earlier in an appearance before House Banking and Currency Committee, Chairman Martin reported unfavorably on a companion bill, H.R. 8230, Board sees no objection to favorable consideration of, letter to Senator Robertson, Chairman of Banking and Currency Committee re
Reports on bills: (continued)

Silver, draft bill submitted by the Treasury, to repeal certain legislation relating to purchase of, authorizing FRBanks to issue FRnotes of $1 denomination, and terminating special tax on transfers of interests in silver bullion, same as S. 2885 except for addition of three new provisions, copy of Board's previous views, also applicable to proposed draft, sent to Bureau of the Budget

Representation allowances:


Staff of Board attending Seventh Meeting of Central Bank Technicians of the American Continent, held at Rio de Janeiro, Brazil, representation allowance not to exceed $500 authorized

Young, Ralph A., Adviser to Board and Director, Division of International Finance:

Reference by Governor Shepardson to his previous authorization to approve representation expenses in connection with Mr. Young's attendance at meetings of Working Party 3, Economic Policy Committee of Organization for Economic Cooperation and Development, in light of possible necessity to share expenses with the Treasury for a dinner in connection with the meeting February 25-29, 1963
Representation allowances: (continued)

Young, Ralph A., Adviser to Board and Director, Division of International Finance: (continued)

Amendment six, previous authorization to authorize attendance at meeting of Working Party 3 of the Economic Policy Committee of the Organization for Economic Cooperation and Development on July 12-13, 1963, in Paris, to meet with officials of the British Bank and Treasury in London on July 14-15, on basis of actual expenses incurred including official entertainment

Travel to Paris, France, during period November 1-7, 1963, to attend regular meetings of Working Party 3 and Economic Policy Committee of Organization for Economic Cooperation and Development, and meeting with representatives of Bank of England and British Treasury, understood hotel suite to be reserved for purpose of latter meeting and that reimbursement would be made on basis of expenses incurred during travel, including an allowance for official entertainment, approved

Repurchase agreements:

Municipal securities, transactions between Morgan Guaranty Trust Company of New York and dealers in, involving, classification as loans or investments in securities in connection with reports of condition and examination questioned, advice to FRBank of New York

Opinion of Comptroller of the Currency indicated

Reserve cities:

Criteria for granting member banks in FRBank and branch cities permission to carry reduced reserves, understanding
Reserve cities: (continued)

Helena, Montana:

Board has no objection to President Deming advising two other reserve city banks in, that they may apply for permission to carry reduced reserves, following granting of permission to Commerce Bank & Trust Co. to carry reduced reserves, advice to President Deming 5/23 1727, 1751

Agreed to request President of FRBank of Minneapolis to ascertain if Union Bank and Trust Company, Helena, Montana, would still be interested in reduced reserves if it resulted in termination of Helena's designation as a reserve city 9/23 3270, 3273

Board approved unanimously application by, to carry reduced reserves, with understanding designation of Helena as a reserve city would not be terminated 10/2 3408, 3417-18

Reserves:

Bad debt losses:

Letter to Treasury Department re Board's assistance in their study of commercial bank bad debt reserves for tax purposes, Board to send Treasury questionnaire to each State member bank, similar requests being made to Comptroller of the Currency and FDIC, questionnaires to be returned with Dec. 1963 reports of condition, assistance of Board's data processing staff to be given 11/27 4129

Questionnaire prepared by Treasury Department for use by State member banks in reporting supplementary information on maintenance of reserves for, to be forwarded to each State member bank in connection with forthcoming year-end call report, approved 12/19 4466, 4448
Reserves: (continued)

Computation periods for member banks, policy of an FRBank allowing a reserve city bank to average its reserves on a bi-weekly rather than a weekly basis and allowing a country bank to average on a quad-weekly rather than a bi-weekly basis, questioned, as revealed in the examination of the FRBank of Chicago with respect to the waiving of penalties for deficiencies of member bank reserves, Mr. Farrell to prepare a memorandum preparatory to review by Board

Criteria for granting to member banks in reserve cities permission to carry reduced reserves:

Discussed in light of permission granted to Sterling National Bank and Trust Company, New York, New York, to maintain reduced reserves, Governors Robertson and Mitchell dissenting

Consideration of memoranda from Messrs. Farrell and Noyes with attached tables re, agreed to transmit to FRBanks assembled data requesting their views, also questioning whether banks seeming to qualify for reduction in reserves should be so informed

Letter to all FRBank Presidents approved

Replies from FRBanks reviewed, understood certain guidelines for Board consideration of future applications would be followed, question whether initiative be taken by FRBanks in inviting applications for reduced reserves, understood letter or article for publication in FRBulletin be prepared to make clear to banks procedure for making application for reduced reserves

11/29 4145
2/4 418
3/4 759
3/22 987, 1007
5/23 1724
Reserves: (continued)

Daily statistics on major factors affecting reserves:

Memorandum from Mr. Noyes recommending that the Board provide the American Bankers Association Project Committee on the Reserve Settlement Periods of Member Banks, with the, approved

Understood that the Board offers no objection to the publication of

Deficiencies in, by member banks, frequency discussed, and fact that under Paragraph C of Board's letter S-1123 resulting penalties are often waived, brought out in discussion of examination report of FRBank of Chicago, which makes wide use of Paragraph C, FRBank of Atlanta also concerned about, Chairman Martin suggested memorandum be prepared on subject preparatory to thorough review by Board

FRBanks:

Gold reserve requirements, deficiencies in:
Letter to Senator Douglas, Chairman of the Joint Economic Committee re his inquiry with respect to, approved, subject to discussed changes

Discussion re policy question as to whether the Board should allow the occurrence of an occasional reserve deficiency, when the current allocation procedures of the System Open Market Account does not avoid it, or if everything possible should be done to avoid any such deficiency, suggestion re possibility of discussing at a meeting with the Presidents, noted by Chairman Martin that the question of meeting statutory requirements was a problem that the System was going to have to consider fully over the coming months

1/9 1511, 1521
10/25 3674
11/29 4144
11/4 3755, 3779
11/29 4141-44
Reserves: (continued)

FRBanks: (continued)

Gold reserve requirements, deficiencies in: (continued)

Question whether it would be better to allow FRBanks occasionally to incur daily deficiency in, and pay required tax, or whether everything possible should be done to avoid incurrence of such deficiencies, discussion re possible amendment to allocation of securities in Open Market Account rather than transferring gold certificates through the Interdistrict Settlement Fund, Board to continue study re

Discussion at joint meeting of Presidents' Conference, consensus re adoption of revised procedures with respect to allocations of the System Open Market Account as provided in alternative (b) stated in the memorandum by Messrs. Stone and Farrell

Letter to Presidents of all FRBanks indicating no objection to a certain proposed change in the method of allocation and computing of reserve ratios

Free reserve figures, staff to provide Board members with copies of an historical compilation showing the range of errors and problems involved in compiling preliminary estimates, with a view toward further development of procedures that might reduce the range of estimating error

Helena, Montana, Board has no objection to President Deming advising two other reserve city banks in, that they may apply for permission to carry reduced reserves, in light of permission granted to Commerce Bank & Trust Co. to carry reduced reserves
Reserves: (continued)

K. 2:
Board agreed to institute expansion of, to include receipt and release of requests for permission to carry reduced reserves.

Advice to FRBanks re procedure Board had decided to follow.

Requirements:
Commercial banks, section in report of Committee on Financial Institutions indicating that all commercial banks ought to be subject to

Demand deposits:
Possible extension to all insured banks, and possible computation of reserves on a graduated basis.

Board concurrence in recommendation of Committee on Financial Institutions re, discussed in consideration of deposit insurance bill.

Statement re, included in report to Budget Bureau on deposit insurance bill, following discussion.

Question re, restating Board's position re, in second report to Budget Bureau.

Graduated, reference to possible recommendation by the President's Committee on Financial Institutions re a system of, no assurance that such a recommendation would result in legislation.

Nonmember insured banks:
Draft bill (deposit insurance bill) to extend to time and savings deposits of, staff to draft report to Budget Bureau.

Report sent to Budget Bureau, Governor Mills dissenting.

Revised draft of bill received omitting provisions re

Preliminary figures of reserve balances, required reserves, borrowings, and float, daily telegraphic report to FRBank of New York re, letter to Presidents of all FRBanks updating previous instructions and providing for reporting on vault cash and required reserves for Saturdays and holidays.
Reserves: (continued)
Requirements: (continued)
Savings and loan associations and mutual savings banks:
Suggestion re extending to, made in report of Committee on Financial Institutions, Mr. Solomon designated to attend interagency meeting to prepare draft legislation re
Draft bill (deposit insurance bill) to extend to withdrawable accounts of, staff to draft report to Budget Bureau
Report sent to Budget Bureau, Governor Mills dissenting
Revised draft of bill received omitting provisions re

(Individual names):
Airline National Bank of Houston, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective as of date bank is admitted to membership under national bank charter of, change in status from a nonmember bank with title of Airline State Bank of Houston, Texas, to
American National Bank of Maryland, Silver Spring, Maryland, (formerly American National Bank of Silver Spring) granted permission to continue to maintain same reserves as are required to be maintained by banks located outside reserve cities, upon its merger with Canton National Bank of Baltimore
Archer National Bank of Chicago, Illinois, granted permission to carry same reserves as maintained by nonreserve city banks, effective date with the first bi-weekly reserve computation period beginning after the date of the Board's approval letter, penalty for deficiency in reserves waived
Reserves: (continued)

Beverly Hills National Bank, Beverly Hills, California, granted permission to carry same reserves as maintained by nonreserve city banks, effective as of date it opened a branch in Los Angeles 10/9 3470, 3498

Bexar County National Bank of San Antonio, San Antonio, Texas, permission to maintain same reserves as nonreserve city banks, approved 12/27 4557, 4568

Boulevard National Bank, Denver, Colorado, granted permission to carry same reserves as maintained by nonreserve city banks 7/12 2274, 2283

City National Bank of Beverly Hills, California: Application for continued permission to maintain reduced reserves after establishment of another branch within corporate limits of Los Angeles, letter to FRBank of San Francisco requesting more information re activities of 3/4 761

Granted permission to continue to maintain same reserves as are required to be maintained by banks located outside nonreserve cities, upon the opening of its additional branch in the City of Los Angeles 4/29 1376, 1383

Commerce Bank and Trust Company, Helena, Montana, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks 5/23 1727, 1750

Commercial National Bank of Dallas, Texas, granted permission to carry same reserves as maintained by nonreserve city banks 9/18 3212, 3235

Community National Bank of Oak Cliff, Dallas, Texas, granted permission to carry same reserves as maintained by nonreserve city banks 8/16 2726, 2750

East Des Moines National Bank, Des Moines, Iowa, granted permission to maintain same reserves against deposits as are required by nonreserve city banks, effective as of date it opens for business 5/13 1537, 1558
Reserves: (continued)

Everman National Bank of Fort Worth, Texas, granted permission to maintain same reserves as are required to be maintained by nonreserve city banks, effective as of date it opens for business 6/19 1972, 1980

Fall River Trust Company, Fall River, Massachusetts, penalty for deficiencies in, waived 3/4 758, 764

Farmers and Merchants National Bank of Matawan, New Jersey, penalty for deficiency waived 1/30 289, 298

Federation Bank and Trust Company, New York, N.Y.: Penalty for deficiency in, waived 2/26 683, 686

Granted permission to carry same reserves as are required to be maintained by nonreserve city banks 5/23 1727, 1746

Fidelity Bank, Beverly Hills, California, granted permission to maintain same reserves as nonreserve city banks, effective as of the date drive-in branch is opened in Los Angeles, California 10/29 3698, 3703

Fidelity National Bank of Baton Rouge, Louisiana, penalty for deficiency waived 9/27 3356, 3379

First National Bank of Appleton, Wisconsin, penalty for deficiency waived 10/31 3722, 3726

First National Bank and Trust Company of Helena, Montana:

Application to maintain same reserves as maintained by nonreserve city banks, agreed to request President of FRBank of Minneapolis to ascertain if applicant bank would still be interested in reduced reserves if it resulted in termination of Helena's designation as a reserve city 9/23 3270, 3273

Board approved unanimously application by, to carry reduced reserves, with understanding that designation of Helena as a reserve city would not be terminated 10/2 3408, 3416-18

First National Park Bank, Livingston, Montana, penalty for deficiency in, waived 1/22 206, 220
Reserves: (continued)

First Trust and Deposit Company, Oriskany Falls, New York, penalty for deficiency in, waived

Golden Gate National Bank, San Francisco, Calif.: Granted permission to carry same reserves as maintained by nonreserve city banks, effective with first bi-weekly reserve computation period beginning after date of Board letter to

Penalty for deficiency in its required reserves, waived

Grace National Bank, New York, New York, permission denied to carry same reserves as maintained by nonreserve city banks, after considering nature of loan activities, clearance business with over-the-counter securities dealers, and extent of foreign account activity

Groos National Bank of San Antonio, San Antonio, Texas, granted permission to maintain same reserves as maintained by nonreserve city banks

Guaranty National Bank of Oklahoma City, Oklahoma, granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business

Hillside National Bank of Dallas, Texas, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks

Inter National Bank of Miami, Florida, granted permission to carry same reserves as maintained by nonreserve city banks, effective with first bi-weekly reserve computation period beginning after date of Board letter

Loudoun National Bank of Leesburg, Virginia, penalty for deficiency in its required reserves, waived
Reserves: (continued)

Madison National Bank, Washington, D. C., permission to maintain same reserves as nonreserve city banks, granted 12/10 4315, 4318

Memorial National Bank of Houston, Texas, permission granted to maintain same reserves against deposits as are required to be maintained by nonreserve city banks 6/4 1813, 1830

Michigan Bank, National Association, Detroit, Michigan, deficient in 20 to 52 weekly reserve computation periods in 1962 and 5 of 25 periods through June 19, 1963, mentioned in examination of FRBank of Chicago, too frequent use of Paragraph C of Board's letter S-1123, Chairman Martin suggested memorandum be prepared on subject preparatory to thorough review by Board 11/29 4145

Northeast Colorado National Bank of Denver, Colo., granted permission to carry same reserves as maintained by nonreserve city banks 7/24 2403, 2428

Northshore National Bank, Houston, Texas, granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business 8/16 2726, 2749

Park National Bank of Pueblo, Colorado, granted permission to carry same reserves as maintained by nonreserve city banks 1/30 289, 302

Peoples National Bank, Rock Hill, South Carolina, penalty for deficiency waived 3/11 840, 861

Public National Bank, Washington, D. C., permission to maintain same reserves as nonreserve city banks, granted 12/10 4315, 4319

Republic National Bank of Houston, Texas, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks 3/28 1048, 1059
Reserves: (continued)

Richmond National Bank and Trust Company, Richmond, Virginia, granted permission to carry same reserves as maintained by nonreserve city banks

Royal National Bank, New York, New York, granted permission to carry same reserves as are required to be maintained by nonreserve city banks

Security National Bank of San Antonio, Texas, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks, effective as of date it opens for business

Southern Hills National Bank, Tulsa, Oklahoma:
- Granted permission to carry same reserves as maintained by nonreserve city banks
- Granted permission to carry same reserves as maintained by nonreserve city banks, effective date it opens for business

Southwest National Bank of Fort Worth, Texas, granted permission to maintain same reserves as are required to be maintained by nonreserve city banks, effective as of the date it opens for business

Sterling National Bank and Trust Company, New York, New York, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks, Governors Robertson and Mitchell dissenting

Sulphur Springs State Bank, Sulphur Springs, Texas, penalty for deficiency in, waived

Trade Bank and Trust Company, New York, New York, granted permission to maintain same reserves as are required to be maintained by nonreserve city banks
Reserves: (continued)

Trinity National Bank of Dallas, Texas, granted permission to maintain same reserves against deposits as are required to be maintained by nonreserve city banks

Union Bank and Trust Company, Helena, Montana:
Application to maintain same reserves as maintained by nonreserve city banks, agreed to request President of FRBank of Minneapolis to ascertain if applicant bank would still be interested in reduced reserves if it resulted in termination of Helena's designation as a reserve city
Application approved, with understanding that designation of Helena as a reserve city would not be terminated

Wachovia Bank and Trust Company, Winston-Salem, North Carolina, penalty for deficiencies in, waived

Wayne County Bank and Trust Company, Honesdale, Pennsylvania, penalty for deficiency in, waived

Western National Bank of Denver, Denver, Colorado, permission granted to maintain same reserves as nonreserve city banks

White Rock National Bank of Dallas, Texas, permission granted to maintain same reserves against deposits as are required to be maintained by nonreserve city banks

Resignations:
Atkinson, Julian H., Economist, Division of Research and Statistics, resignation accepted
Auerbach, Kay J., Economist, Division of International Finance, resignation accepted
Banks, Laura J., Records Clerk, Secretary's Office, resignation accepted
Resignations: (continued)

Beck, Myra E., Statistical Clerk, Division of Bank Operations, resignation accepted 12/19 4467

Bretzfelder, Robert B., Economist, Division of Research and Statistics, resignation accepted 6/21 2031

Bryant, Thomas F., Cafeteria Laborer, Division of Administrative Services, resignation accepted 6/4 1824

Butler, Darlene J., Research Assistant, Division of Research and Statistics, resignation accepted 5/22 1699

Carson, Phyllis Ann, Clerk-Stenographer, Division of Personnel Administration, resignation accepted 9/23 3283

Carter, Walter Ford, Research Assistant (Summer), Division of Research and Statistics, resignation accepted 8/30 2990

Cassedy, Rose C., Research Assistant (Data Processing), Division of Research and Statistics, resignation accepted 8/16 2741

Chambers, Jeanne A., Secretary, Division of Research and Statistics, resignation accepted 9/11 3099

Clarke, Ruth H., Editorial Clerk, Division of Research and Statistics, resignation accepted 7/8 2209

Cooley, Mary W., Cafeteria Helper, Division of Administrative Services, resignation accepted 5/22 1699

Darlington, Rosemary A., Research Assistant, Division of International Finance, resignation accepted 9/11 3099

Doane, Florence S., Clerk, Division of International Finance, resignation accepted 7/11 2262

Enzler, Jared J., Summer Research Assistant, Division of Research and Statistics, resignation accepted 8/29 2965

Faber, Philip D., Bindery Helper and Operator (Mimeograph), Division of Administrative Services, resignation accepted 4/15 1227

Fegan, James T., Supply Clerk, Division of Administrative Services, resignation accepted 8/30 2990
<table>
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<tr>
<th>Name</th>
<th>Position</th>
<th>Division</th>
<th>Date</th>
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<tbody>
<tr>
<td>Fieser, Max E.</td>
<td>Economist</td>
<td>Division of International Finance</td>
<td>8/30</td>
<td>2990</td>
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<tr>
<td>Fortunato, Kathryn H.</td>
<td>Library Assistant</td>
<td>Division of Research and Statistics</td>
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<td>Freeman, Allene H.</td>
<td>Records Clerk</td>
<td>Secretary's Office</td>
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<td>Friedman, Richard B.</td>
<td>Assistant F Examiner</td>
<td>Division of Examinations</td>
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<td>Frumin, Walter</td>
<td>Guard</td>
<td>Division of Administrative Services</td>
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<td>Garner, Ted Edward</td>
<td>Assistant F Examiner</td>
<td>Division of Examinations</td>
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<tr>
<td>Glasco, Jean S.</td>
<td>Secretary</td>
<td>Office of the Controller</td>
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<td>Goetz, E. Sue</td>
<td>Economist</td>
<td>Division of Research and Statistics</td>
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<tr>
<td>Golodner, Seymour</td>
<td>Technical Assistant</td>
<td>Division of Bank Operations</td>
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<td>Greene, Charles C.</td>
<td>Messenger</td>
<td>Division of Administrative Services</td>
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<tr>
<td>Grove, Myron A.</td>
<td>Economist</td>
<td>Division of Research and Statistics</td>
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<td>Harrison, Eugene C.</td>
<td>Legal Assistant</td>
<td>Legal Division</td>
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<td>Hicks, Norma Jean</td>
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<td>Hill, Linda Ann</td>
<td>Stenographer</td>
<td>Division of Examinations</td>
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<tr>
<td>Hill, Rufus S., Jr.</td>
<td>Attorney</td>
<td>Legal Division</td>
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<tr>
<td>Hollingshead, Marjorie</td>
<td>Secretary</td>
<td>Division of Research and Statistics</td>
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<td>Holston, Alfred J.,</td>
<td>Clerk</td>
<td>Division of Administrative Services</td>
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## Resignations: (continued)

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<tr>
<td>Howell, James M.</td>
<td>Economist</td>
<td>Division of Research and Statistics</td>
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<td>Hull, David R.</td>
<td>Economist</td>
<td>Division of Research and Statistics</td>
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<td>Jones, Barbara Lou</td>
<td>Special Assistant Federal Reserve Examiner</td>
<td>Division of Examinations</td>
<td>9/16</td>
<td>3168</td>
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<tr>
<td>Kay, Barbara B.</td>
<td>Statistical Clerk</td>
<td>Division of Research and Statistics</td>
<td>12/23</td>
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<tr>
<td>Keen, Nancy H.</td>
<td>Secretary</td>
<td>Division of Data Processing</td>
<td>5/1</td>
<td>1424</td>
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<tr>
<td>Kees, Dorothy Erna</td>
<td>Clerk-Stenographer</td>
<td>Division of Personnel Administration</td>
<td>11/6</td>
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<td>Kraft, Barbara A.</td>
<td>Clerk-Stenographer</td>
<td>Division of Personnel Administration</td>
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<td>Landry, Richard S.</td>
<td>Assistant to the Secretary</td>
<td>Office of the Secretary</td>
<td>9/11</td>
<td>3099</td>
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<td>Leonard, Patricia A.</td>
<td>Statistical Clerk</td>
<td>Division of Bank Operations</td>
<td>3/18</td>
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<tr>
<td>Locknane, Judith E.</td>
<td>Clerk</td>
<td>Division of Research and Statistics</td>
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<td>Malone, Sandra B.</td>
<td>Stenographer</td>
<td>Legal Division</td>
<td>7/26</td>
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<td>Marconi, Judy Ann</td>
<td>Secretary</td>
<td>Division of Bank Operations</td>
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<td>Massel, Lynn M.</td>
<td>Statistical Assistant</td>
<td>Division of Research and Statistics</td>
<td>12/16</td>
<td>4387</td>
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<td>Morris, Starr Preston</td>
<td>Clerk-Typist</td>
<td>Division of Research and Statistics</td>
<td>9/11</td>
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<tr>
<td>Newburn, H. K.</td>
<td>Board of Directors of the Helena Branch</td>
<td>FRBank of Minneapolis</td>
<td>6/24</td>
<td>2043</td>
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Resigned
Resignations: (continued)
Niebuhr, Richard J., Research Assistant (Summer), Division of Research and Statistics, resignation accepted
Nowak, Evert F., Analyst, Division of Bank Operations, resignation accepted
Porter, William Lane, Law Clerk (Summer), Legal Division, resignation accepted
Raddock, Richard D., Research Assistant (Summer), Division of Research and Statistics, resignation accepted
Robinson, Bette L., Statistical Clerk, Division of Research and Statistics:
   Resignation accepted
   Board's action accepting resignation rescinded
Robinson, Fred L., Messenger, Division of Administrative Services, resignation accepted
Rose, Elizabeth C., Draftsman Trainee, Division of Research and Statistics, resignation accepted
Schieman, Betty Bert, Statistical Assistant, Division of Research and Statistics, resignation accepted
Schoonover, Janice L., Clerk-Stenographer, Division of Research and Statistics, resignation accepted
Shepley, Ethan A. H., Class C director, resignation in view of plan to stand for nomination as a candidate for political office
Sherman, Shirley R., Secretary, Division of Research and Statistics, resignation accepted
Sills, Barbara, Statistical Clerk, Division of Research and Statistics, resignation accepted
Smith, Sarah Jean, Stenographer, Division of Examinations, resignation accepted
Snyder, Linda M., Draftsman Trainee, Division of Research and Statistics, resignation accepted
Resignations: (continued)

Sokolski, Alan, Economist, Division of International Finance, resignation accepted 9/9 3083

Stanley, Cheryl, Statistical Clerk, Division of Research and Statistics, resignation accepted 8/27 2933

Starr, Donald O., Assistant FRBank Examiner, Division of Examinations, resignation accepted 8/21 2838

Stone, David L., Law Clerk (Summer), Legal Division, resignation accepted 8/12 2686

Taylor, William N., Messenger, Division of Administrative Services, resignation accepted 2/14 558

Thornton, Robert B., Assistant Federal Reserve Examiner, Division of Examinations, resignation accepted 9/11 3099

Tuttle, Bettie P., Secretary, Division of Research and Statistics, resignation accepted 7/11 2262

VanHook, Sam M., Guard, Division of Administrative Services, resignation accepted 6/7 1842

Westmoreland, Robert N., Jr., Assistant FRExaminer, Division of Examinations, resignation accepted 7/16 2311

Wilson, Joan B., Editorial Assistant, Division of Administrative Services, resignation accepted 11/20 4079

Young, Thomas G., Analyst, Division of Bank Operations, resignation accepted 2/20 652

Ziobro, Judith A., Statistical Assistant, Division of Research and Statistics, resignation accepted 9/16 3168

Resolutions:

Political affiliations of FRBank directors, 1915 resolution re, suggestion re studying, view to lessening rigidity of its language, also suggested similar results might be achieved through judicious administration 3/20 962

Retail trade:

Department store sales data for use in connection with an investigation under the Clayton Act, requested by the Federal Trade Commission, recommendation not to furnish, by System Committee on Current Reporting Series, letter declining to furnish, approved 1/22 207, 223
Retail trade: (continued)

Statistics:

Summary of meeting of Committee of Five reviewed, draft reply re question of FRSystem continuing present long departmental report until January 1964 (as requested by Mr. Bennett, President, National Retail Merchants Association) pending development of program for withdrawal of System from area of department store reporting, agreed Governor Mitchell and Mr. Sherman redraft reply to Mr. Bennett

Reply sent to National Retail Merchants Association and to J.C. Penney Co. re participation in a national departmental reporting program

Letter to Mr. H. H. Bennett, President, National Retail Merchants Association, re plans with respect to, Board prepared to continue work for temporary period until Bureau of the Census is prepared to compile data, intended that letter of instructions would be sent to FRBanks, with copies of letter to Mr. Bennett

Retirement funds:

Self-employed individuals, draft bill to allow Federal savings and loan associations to act as trustees for trusts qualifying under Self-Employed Individuals Retirement Tax Act of 1962, Board not in favor of bill as drafted, report to Budget Bureau

Retirement system:

Allowances, supplemental for FRBank Presidents, information requested by Mr. Schremp of House Banking and Currency Committee, noted former President Erickson of Boston had received supplemental allowances, understood Board would furnish information re retirement allowances of FRBank Presidents
Retirement system: (continued)

Board plan, benefits increased, for Board annuitants to conform with P.L. 87-793 increasing benefits for Civil Service annuitants, letter to secretary of Retirement System of the FRBanks re basis of payment by the Board for the cost of

Civil Service:

Board retirees under:
Request for transfer to Board plan on technical basis of "erroneous enrollment," for three Board employees in order to secure credit for prior service at FRBank or Branch, discussed at meeting of Board with Professor McGill and Mr. Buck
Division of Personnel Administration authorized to proceed with necessary arrangement for transfer of retirement credits of the three members of FRBanks, service deemed in the public interest:

Trued, Merlyn N., formerly Assistant Vice President of the FRBank of New York, appointment as Deputy Assistant Secretary of the Treasury, Board agrees that service is deemed to be in the public interest within the meaning of section 5A of the Rules and Regulations of the Retirement System

Retentions in service:
Rouse, Robert G., Vice President and Senior Adviser, FRBank of New York, retention in service and salary approved

Retirements:
Increase in contributions as a result of a higher salary base plus an increase in the rate of contributions, contributing factor in the increase in the 1964 budget
Retirement system: (continued)
Retirements: (continued)
(Individual names):

Berry, Benjamin D., Foreman-Operator, Division of Administrative Services, application for retirement noted 9/12 3140

Biermann, John, Jr., Assistant Cashier, Cincinnati FRBranch bank, will reach retirement age during 1964 12/9 4284

Bockman, G. Halvor, Assistant Federal Reserve Examiner, Division of Examinations, application noted 10/14 3538

Brennan, John C., Personnel Assistant, Division of Personnel Administration, application for retirement noted 11/1 3739

Brow, Lillie B., Assistant Supervisor, Secretary's Office, application for retirement noted 12/26 4552

Brown, Ruth A., Telegraph Operator, Division of Administrative Services, retirement noted 2/27 706

Carrick, Elsie N., Assistant Supervisor, Stenographic Section, Office of the Secretary, application for retirement noted 6/17 1936

Chase, G. Howland, Assistant General Counsel, Legal Division, application noted 1/9 74

Constable, Frank W., Foreman-Operator, Division of Administrative Services, application for retirement noted 8/13 2707

Craven, Mary J., Charwoman, Division of Administrative Services, application for retirement noted 7/16 2311

Denmark, J. E., Vice President, FRBank of Atlanta, will reach retirement age during 1964 12/9 4288

Dougal, Wilson D., Senior Federal Reserve Examiner, Division of Examinations, application for retirement noted 6/27 2125

Fulton, Wilbur D., President, FRBank of Cleveland, retiring at the end of April 1963 4/17 1248

Geers, Phil J., Cashier, Cincinnati FRBranch bank, will reach retirement age during 1964 12/9 4284
Retirement system: (continued)

Retirements: (continued)

Hardin, T. A., Vice President, FRBank of Dallas, salary approved until retirement during 1964

Johnson, A. W., Vice President, FRBank of Minneapolis, will reach retirement age during 1964, accordingly under salary schedule for calendar year 1964, salary payments are approved only to date of retirement

Johnson, Gordon P., Messenger, Board Members' Offices, application for retirement noted

Kelly, Nancy B., Secretary, Board Members' Offices, application for retirement noted

Lewis, Harold W., Manager, salary approved until retirement during 1964

Lindamood, Charles D., Principal Operating Engineer, Division of Administrative Services, application for retirement noted

Lowe, John E., Special Adviser, FRBank of Boston, salary approved until date of retirement during 1964

Lysen, M. D., Assistant Vice President, FRBank of Minneapolis, will reach retirement age during 1964, salary payments are approved only to date of retirement

McConnell, H. G., Vice President and Secretary, FRBank of Minneapolis, will reach retirement age during 1964, salary payments are approved only to date of retirement

Mills, A. W., First Vice President, FRBank of Minneapolis, to retire at end of 1963, to be succeeded by Vice President and General Counsel, M. H. Strothman, Jr.

Mills, L. F., Vice President, FRBank of Kansas City, salary approved until retirement during 1964
Retirement system: (continued)
Retirements: (continued)

Murphy, Mary F., Mailing List Clerk, Division of Administrative Services, application noted

Nichols, Charles R., Guard, retirement noted

Noell, Charles A., Guard, Division of Administrative Services, application for retirement noted

Norris, Charles R., Head, Mail and Messenger Service Unit, Division of Administrative Services, retirement noted

Pawley, Francis R., Economist, Division of Research and Statistics, application under Civil Service Retirement System noted

Robert G., Vice President, FRBank of New York, salary approved until date of retirement in 1964

Arthur J., Assistant Federal Reserve Examiner, Division of Examinations, application for retirement noted

Grace R., Draftsman Illustrator, Division of Research and Statistics, application noted

Lyle B., Assistant Federal Reserve Examiner, Division of Examinations, application noted

John A., Cashier, Pittsburgh FRBranch bank, will reach retirement age during 1964

Hanvey, Assistant Federal Reserve Examiner, Division of Examinations, application for retirement noted

Stetzelberger, Paul C., Vice President, FRBank of Cleveland, will reach retirement age during 1964

Philip M., Assistant FRAgent, FRBank of San Francisco, noted in connection with appointment of his successor

Rouse, Ruhle, Sahm, St. John, Schmidt, Stanford, Stone,
Retirement system: (continued)
Retirements: (continued)
  White, J. T., Vice President, FRBank of Kansas City, salary approved until date of retirement during 1964 12/9 4298
  Zehner, Louis A., Assistant Vice President, salary approved until retirement during 1964 12/9 4277
Retirements, disability:
  Blash, John J., Carpenter-Operating Engineer, Division of Administrative Services, retirement on basis of disability approved 10/16 3575
  Mackenzie, Andrew S., Assistant FRExaminer, Division of Examinations, retirement on basis of disability approved 10/16 3574
  Melanson, Cecil, Draftsman, Division of Research and Statistics, application for retirement on disability noted; further advance of sick leave approved 5/29 1797
  Noyes, Edna Kiatta, Statistical Clerk, Division of Bank Operations: Granted extension of leave without pay pending action on application for disability retirement 1/7 42
  Disability retirement approved by the Retirement System of the FRBanks, noted 1/30 297
  Peters, Ann Marie, Statistical Assistant, Division of Research and Statistics, application for retirement on disability noted, advance of sick leave until retirement date approved 6/7 1842
Study of, by Professor Dan M. McGill:
  Consensus that the Secretary arrange for a meeting of the Board with Mr. McGill to discuss his report entitled "Mortality and Interest Assumptions for the Retirement System of the FRBanks", Mr. Sherman to ascertain if a memorandum would be submitted to the Board 1/10 84
Retirement system: (continued)

Study of, by Professor Dan M. McGill: (continued)

Meeting with Professor McGill scheduled at 9:30 a.m., January 24, 1963

Meeting, comments and discussion, memorandum placed in files

Mr. George B. Buck, Actuary of the, authorized to make actuarial computations suggested by Professor McGill, Governor Mitchell dissenting, action served to authorize overexpenditure in the 1963 Board budget

Extension of Professor McGill's contract to cover the period of January thru June 1963, with compensation at the rate of $200 per day worked plus necessary expenses, approved

Letter by Mr. Buck re cost projections on mortality and interest assumptions proposed to be used in valuations of liabilities and determination of annuities, with Dr. McGill's memorandum of comments and his report to the Board, agreed to send to Mr. Irons, Chairman of the Presidents' Conference, Mr. Harris, Chairman of the Retirement Committee, and Mr. Deming, Chairman of the Board of Trustees of the Retirement System

Agreed that meeting with Professor McGill, and Mr. Buck, Actuary of, be arranged with Board for September 24, 1963, if convenient to them, understood that if Governor Mitchell was not able to attend, he would consider submitting questions that could be answered on his behalf

Actuarial computations, adoption by Retirement System of new mortality tables, and interest rate assumptions, Board meeting with Professor McGill and Mr. Buck