

Minutes for March 22, 1965

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, please initial below. If you were present at the meeting, your initials will indicate approval of the minutes. If you were not present, your initials will indicate only that you have seen the minutes.

Chm. Martin

(M)

Gov. Robertson

R

Gov. Balderston

CCB

Gov. Shepardson

SS

Gov. Mitchell

MM

Gov. Daane

DD

Minutes of the Board of Governors of the Federal Reserve System on Monday, March 22, 1965. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman  
Mr. Shepardson  
Mr. Mitchell  
Mr. Daane

Mr. Sherman, Secretary  
Mr. Kenyon, Assistant Secretary  
Mr. Broida, Assistant Secretary  
Mr. Young, Adviser to the Board and Director,  
Division of International Finance  
Mr. Noyes, Adviser to the Board  
Mr. Cardon, Legislative Counsel  
Mr. Fauver, Assistant to the Board  
Mr. Spencer, General Assistant, Office of  
the Secretary  
Mr. Furth, Consultant

Messrs. Brill, Holland, Koch, Garfield, Partee,  
Williams, Dembitz, Axilrod, Bernard, Eckert,  
Ettin, Fisher, Gehman, Gramley, Keir, Osborne,  
Sigel, Taylor, Trueblood, and Wernick of the  
Division of Research and Statistics

Messrs. Hersey, Katz, Sammons, Irvine, Baker,  
Dahl, Gekker, Hayes, Maroni, and Nettles of  
the Division of International Finance

Mr. Ferras, General Manager, and Mr. Gilbert,  
Economic Adviser, Bank for International  
Settlements, Basle, Switzerland

Economic review. The Division of International Finance reported on international financial conditions, following which the Division of Research and Statistics presented information relating to the domestic economy. This included a review of money market developments.

Messrs. Ferras and Gilbert, Mr. Furth, and all members of the Board's staff who had been present except Messrs. Sherman, Kenyon,

3/22/65

-2-

Young, Fauver, and Spencer then withdrew from the meeting and the following entered the room:

Mr. Farrell, Director, Division of Bank Operations  
Mr. Solomon, Director, Division of Examinations  
Mr. Hexter, Assistant General Counsel  
Messrs. Egertson and McClintock, Supervisory Review  
Examiners, Division of Examinations  
Messrs. Lyon and Smith, Review Examiners, Division  
of Examinations

Ratification of letter to New York Bank (Item No. 1). The sending of a letter to the Federal Reserve Bank of New York on March 17, 1965, approving the appointment of Ethan W. Allen as Alternate Federal Reserve Agent was ratified by unanimous vote. A copy of the letter is attached as Item No. 1.

Discount rates. The establishment without change by the Federal Reserve Bank of Boston on March 15 and by the Federal Reserve Banks of New York, Philadelphia, and San Francisco on March 18, 1965, of the rates on discounts and advances in their existing schedules was approved unanimously, with the understanding that appropriate advice would be sent to those Banks.

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

Item No.

Letter to Dutchess Bank & Trust Company, Poughkeepsie,  
New York, approving the establishment of a branch in  
Wappingers Falls.

2

3/22/65

-3-

Item No.

Letter to Union Bank and Trust Company, Ottumwa, Iowa, 3  
 approving the establishment of a branch at Church, Vine,  
 and Willard Streets.

Letter to Wells Fargo Bank, San Francisco, California, 4  
 approving the establishment of a branch in Fresno.

Letter to Bank of Minneapolis and Trust Company, 5  
 Minneapolis, Minnesota, granting its request for  
 permission to maintain reduced reserves.

Letter to Arnold Savings Bank, Arnold, Missouri, waiving 6  
 the requirement of six months' notice of withdrawal  
 from membership in the Federal Reserve System.

Letter to Blackhawk Holding Corporation, Moline, Illinois, 7  
 granting a determination exempting it from all holding  
 company affiliate requirements except for the purposes  
 of section 23A of the Federal Reserve Act.

Telegram to the Federal Reserve Bank of St. Louis 8  
 authorizing it to call for bids for construction of  
 a building for the Little Rock Branch. (The telegram,  
 as sent, reflected an understanding at the Board meeting  
 that reference should be made to the use of American  
 marble.)

Report on competitive factors (Carbondale-Dalton, Pennsylvania).

A report to the Comptroller of the Currency on the competitive factors  
 involved in the proposed merger of Central State Bank, Dalton, Penn-  
 sylvania, into The First National Bank of Carbondale, Carbondale,  
 Pennsylvania, was approved unanimously for transmittal to the Comp-  
 troller. The conclusion read as follows:

The proposed merger of Central State Bank, Dalton, into  
 The First National Bank of Carbondale would not have adverse  
 competitive effects.

3/22/65

-4-

Report on competitive factors (Greenville-Clover, South Carolina). A report to the Federal Deposit Insurance Corporation on the competitive factors involved in the proposed merger of Bank of Clover, Clover, South Carolina, into Southern Bank and Trust Company, Greenville, South Carolina, was approved unanimously for transmittal to the Corporation. The conclusion read as follows:

There is virtually no competition between Southern Bank and Trust Company, Greenville, and Bank of Clover, Clover, and there is no evidence that the proposed merger would have any appreciable effect upon the competing institutions in the areas currently served by the two banks.

The overall effect of the proposed merger on competition would not be adverse.

Messrs. Egertson, McClintock, Lyon, and Smith then withdrew from the meeting.

National bank examination reports (Items 9 and 10). A letter dated March 16, 1965, had been sent by the Board to the Comptroller of the Currency requesting him to take steps to make sure that copies of national bank examination reports purchased by the Federal Reserve Banks and borrowed by the Board were complete reports inclusive of the new supplemental confidential section and all other relevant information. (The letter was sent with the approval of Chairman Martin and Governors Balderston, Robertson, Shepardson, and Mitchell. A copy is attached as Item No. 9.)

Chairman Martin noted at today's meeting that a draft of response had been prepared to a reply of March 17, 1965, from the Comptroller.



3/22/65

-5-

The Comptroller's letter stated that he was pleased to accede to the Board's request. His letter went on to note that through a report of the proceedings on March 16, 1965, before the Senate Permanent Subcommittee on Investigations he had learned that officials of the San Francisco Federal Reserve Bank were under the impression that the Comptroller's Office had withheld from them the confidential section of reports of examination of the San Francisco National Bank, San Francisco, California. The Comptroller's letter stated that the Reserve Bank had received the entire report of every examination of the San Francisco National Bank that the Reserve Bank requested; the last full examination of the national bank was conducted in May 1964, and "we did not institute our new procedure with respect to the submission of the confidential section of reports of examination until September 1964."

The draft of reply to the Comptroller, which had been prepared under date of March 19, 1965, was then read by Chairman Martin. It would acknowledge the Comptroller's letter and request, in order that System information might be current, that a copy of each supplemental confidential section omitted from a report of examination previously furnished by the Comptroller's Office to a Reserve Bank be provided to the Reserve Bank as soon as possible.

Question was raised whether the letter to the Comptroller should pursue the matter of the completeness of information made available to the San Francisco Reserve Bank concerning the San Francisco National

3/22/65

-6-

Bank and its management, but it was decided that probably not much would be gained by making an issue of the case.

The letter then was approved unanimously for transmittal to the Comptroller. A copy is attached as Item No. 10. It was understood that copies of the exchange of correspondence with the Comptroller were being supplied to the Federal Reserve Bank Presidents for their information.

All members of the staff except Messrs. Sherman, Kenyon, Young, and Hexter then withdrew from the meeting.

Expenses of technical assistance mission. Pursuant to Board action on February 11, 1965, the Central Bank of the Philippines was advised that the services of Mr. Johnson, Director of the Division of Personnel Administration, would be made available to the Bank for a period of about three months in the spring of this year to assist in a study of the Bank's organization and operations. (Mr. Johnson was to be accompanied by Jarvis M. Thayer, Jr., Cashier of the Federal Reserve Bank of Boston and, for part of the time, by Everett B. Post, an officer of the Federal Reserve Bank of New York.) Subsequently the Central Bank remitted funds to Mr. Johnson covering the cost of round-trip transportation between Washington and Manila for him and his wife. Question was raised, in this connection, whether the remittance direct to Mr. Johnson for his wife's transportation expense was legally objectionable in view of the provision of Article I, section 9, of the

3/22/65

-7-

Constitution, which states that ". . . no person holding any office of profit or trust under them [the United States], shall, without the consent of the Congress, accept of any present, emolument, office, or title, of any kind whatever, from any king, prince, or foreign state."

In a distributed memorandum dated March 18, 1965, Mr. Hackley, General Counsel, concluded:

(1) that direct payment by a foreign government to a Board employee for transportation and reasonable living expenses of the employee himself in connection with a foreign mission would not violate the spirit of the Constitutional prohibition even though it might be questioned on technical grounds;

(2) that such a direct payment by a foreign government to cover transportation or living expenses in a foreign country on behalf of the wife of a Board employee would be contrary to the Constitutional prohibition; and

(3) no legal problem in this respect would arise if the Board should itself pay the transportation and living expenses of the employee's wife, as well as those of the employee, with reimbursement for such expenses to be made by the foreign government to the Board.

It was agreed, after discussion, that arrangements should be worked out whereby the amount that had been remitted by the Central Bank to Mr. Johnson to cover the transportation of him and his wife would be returned to the Central Bank, which would then be asked to remit a similar amount to the Board of Governors. As to per diem to meet Mr. Johnson's living expenses in Manila, it was understood that the Board would ask the Central Bank for reimbursement after the exact period of Mr. Johnson's stay had been determined. For the purpose of



3/22/65

-8-

working out these arrangements, an appropriate travel advance by the Board to Mr. Johnson was authorized.

There ensued a general discussion of the practices that should be followed in connection with the payment of expenses relating to technical assistance assignments undertaken by members of the Board's staff, particularly in cases involving missions of longer duration, and reference was made to arrangements that had been approved on certain occasions in the past. The discussion also extended to the question of arrangements relating to the payment of expenses of missions undertaken by officers or employees of the Federal Reserve Banks. Question was raised whether consideration should not be given to the possibility of establishing uniform procedures that would be applicable to missions performed by System personnel, whether from the Board or a Reserve Bank, and certain problems in that regard were mentioned. No conclusions were reached as the result of the discussion at this meeting, but it was understood that the whole matter would be made the subject of staff study prior to further consideration by the Board.

The meeting then adjourned.

Secretary's Notes: Pursuant to Board action on December 15, 1964, as entered in the minutes of December 16, a letter was sent to Dr. Frederic D. Chapman on March 17, 1965, confirming arrangements for him to conduct annual physical examinations of the Board's chauffeurs and messenger-drivers at a fee of \$28 for each examination, payable after completion of all examinations for a particular year. In the case of a new employee or an employee being transferred to a motor vehicle operator position, it was understood that the Board would pay Dr. Chapman an additional \$10 for a chest X-ray.

3/22/65

-9-

On March 18, 1965, a letter was sent to Bank of America National Trust and Savings Association, San Francisco, California, acknowledging receipt of notice of its intent to establish an additional branch in Okinawa, Ryukyu Islands, to be located at Koza. The letter contained the following paragraph: "With respect to the President's program for the voluntary curtailment of foreign credit by banks, your letter of March 8, 1965 indicated that you do not plan to remit any funds from the United States for the purpose of establishing the proposed branch, although it will be necessary to ship certain pieces of specialized mechanical equipment together with certain supplies from the United States. With respect to the establishment of foreign branches, funds to be invested (whether in the form of allocated capital, advances, and fixed assets and equipment) should be counted as part of the 5 per cent target."

On March 19, 1965, a letter was sent to Bank of America National Trust and Savings Association, San Francisco, California, acknowledging receipt of notice of its intent to establish an additional branch in the Territory of Guam, U. S. A., to be located in Tamuning.

Pursuant to the requirement of section 10 of the Federal Reserve Act, the Board's Annual Report for 1964 was transmitted today to the Speaker of the House of Representatives. A copy of the Report was also transmitted to the President of the Senate for the information of the Senate.

Governor Shepardson approved on behalf of the Board on March 17, 1965, a memorandum from the Division of International Finance recommending the appointment of Larry Jay Promisel as Summer Research Assistant in that Division, with basic annual salary at the rate of \$5,165, effective the date of entrance upon duty.

3/22/65

-10-

Acting in the absence of Governor Shepardson, Governor Mitchell approved on behalf of the Board on March 18, 1965, a memorandum from Lovair Dingle, Messenger, Division of Administrative Services, requesting permission to drive a taxicab on weekends.

Governor Shepardson today approved on behalf of the Board memoranda recommending the following actions relating to the Board's staff:

#### Appointments

Virginia Ann Callahan as Secretary, Division of Personnel Administration, with basic annual salary at the rate of \$5,330, effective the date of entrance upon duty.

Evert Nowak as Digital Computer Programmer, Division of Data Processing, with basic annual salary at the rate of \$8,200, effective April 19, 1965.

#### Salary increase

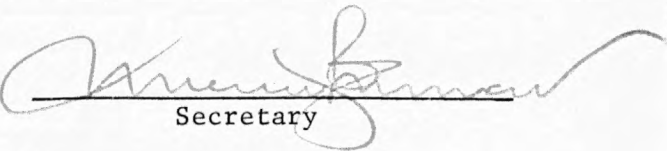
Theodore A. Veenstra, Jr., Chief, Financial Statistics Section, Division of Data Processing, from \$13,755 to \$14,660 per annum, effective March 28, 1965.

#### Acceptance of resignation

Gail Roberts, Secretary, Office of the Secretary, effective at the close of business March 31, 1965.

#### Permission to engage in outside activity

Louise Jarvis, Minutes Clerk, Office of the Secretary, to work for the Air Force Association.

  
Secretary



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

944  
Item No. 1  
3/22/65

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 17, 1965.

Mr. Philip D. Reed,  
Federal Reserve Agent,  
Federal Reserve Bank of New York,  
New York, New York. 10045.

Dear Mr. Reed:

In accordance with the request contained in your letter of March 4, 1965, the Board of Governors approves the appointment of Mr. Ethan W. Allen as Alternate Assistant Federal Reserve Agent at the Federal Reserve Bank of New York to succeed Mr. Robert E. Lisk.

This approval is given with the understanding that Mr. Allen will be solely responsible to the Federal Reserve Agent and the Board of Governors for the proper performance of his duties, except that, during the absence or disability of the Federal Reserve Agent or a vacancy in that office, his responsibility will be to the Assistant Federal Reserve Agents and the Board of Governors.

When not engaged in the performance of his duties as Alternate Assistant Federal Reserve Agent, Mr. Allen may, with the approval of the Federal Reserve Agent and the President, perform such work for the Bank as will not be inconsistent with his duties as Alternate Assistant Federal Reserve Agent.

It will be appreciated if Mr. Allen is fully informed of the importance of his responsibilities as a member of the staff of the Federal Reserve Agent and the need for maintenance of independence from the operations of the Bank in the discharge of these responsibilities.

Please have Mr. Allen execute the usual Oath of Office which should be forwarded to the Board of Governors along with notification of the effective date of his appointment.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 2  
3/22/65

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 22, 1965.

Board of Directors,  
Dutchess Bank & Trust Company,  
Poughkeepsie, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Dutchess Bank & Trust Company, Poughkeepsie, New York, of a branch on the west side of U. S. Highway 9, approximately 2,100 feet north of the intersection of U. S. Highway 9 and New Hackensack Road, Village of Wappingers Falls, Dutchess County, New York, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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





BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 3  
3/22/65

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 22, 1965.

Board of Directors,  
Union Bank and Trust Company,  
Ottumwa, Iowa.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Union Bank and Trust Company, Ottumwa, Iowa, of a branch at the intersection of Church, Vine and Willard Streets, Ottumwa, Iowa, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

Item No. 4  
3/22/65



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 22, 1965.

Board of Directors,  
Wells Fargo Bank,  
San Francisco, California.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch by Wells Fargo Bank, San Francisco, California, on Blackstone Avenue at or adjacent to the intersection of Ashlan Avenue, Fresno, California, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

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

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

Item No. 5  
3/22/65



ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 22, 1965

Board of Directors,  
Bank of Minneapolis and Trust Company,  
Minneapolis, Minnesota.

Gentlemen:

With reference to your request submitted through the Federal Reserve Bank of Minneapolis, the Board of Governors, acting under the provisions of Section 19 of the Federal Reserve Act, grants permission to the Bank of Minneapolis and Trust Company to maintain the same reserves against deposits as are required to be maintained by non-reserve city banks, effective with the first biweekly reserve computation period beginning after the date of this letter.

Your attention is called to the fact that such permission is subject to revocation by the Board of Governors.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,  
Secretary.



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

949  
Item No. 6  
3/22/65

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 22, 1965.

Board of Directors,  
Arnold Savings Bank,  
Arnold, Missouri.

Gentlemen:

The Federal Reserve Bank of St. Louis has forwarded to the Board of Governors your letter dated February 20, 1965, together with the accompanying resolution signifying your intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

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

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

Very truly yours,  
(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

Item No. 7  
3/22/65

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

March 22, 1965

Mr. Ronald C. Vorhies, President,  
Blackhawk Holding Corporation,  
Uptown Building,  
Moline, Illinois.

Dear Mr. Vorhies:

This refers to your request submitted through the Federal Reserve Bank of Chicago, for a determination by the Board of Governors of the Federal Reserve System as to the status of Blackhawk Holding Corporation as a holding company affiliate.

From the information presented, the Board understands that Blackhawk Holding Corporation owns a controlling interest in three nonbanking companies, none of which owns stock of any bank; that it is a holding company affiliate by reason of the fact that it owns 900 of the 1,500 outstanding shares of stock of Bank of Silvis, Silvis, Illinois; and that it does not, directly or indirectly, own or control any stock of, or manage or control, any other banking institution.

In view of these facts, the Board has determined that Blackhawk Holding Corporation is not engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling, banks, banking associations, savings banks, or trust companies within the meaning of section 2(c) of the Banking Act of 1933 (12 U.S.C. 221a); and, accordingly, it is not deemed to be a holding company affiliate except for the purposes of Section 23A of the Federal Reserve Act and does not need a voting permit from the Board of Governors in order to vote the bank stock which it owns.



Mr. Ronald C. Vorhies

-2-

If, however, the facts should at any time indicate that Blackhawk Holding Corporation might be deemed to be so engaged, this matter should again be submitted to the Board. The Board reserves the right to rescind this determination and to make further determination of this matter at any time on the basis of the then existing facts, including additional acquisitions of bank stocks even though not constituting control.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

**TELEGRAM**  
LEASED WIRE SERVICEBOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON

March 22, 1965

SHUFORD - ST. LOUIS

Board authorizes calling for bids for construction of building for Little Rock Branch on the basis of plans and specifications referred to in your letter of February 11, 1965, except that it feels Mr. Witherell's suggestion that marble of American origin be substituted for foreign marbles should be adopted. The Board also suggests that, if the Bank wishes to recognize the architects, their names be placed on a plaque within the building instead of in stone at the entrance.

(Signed) Merritt Sherman

SHERMAN



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

953  
Item No. 9  
3/22/65

OFFICE OF THE CHAIRMAN

March 16, 1965.

Honorable James J. Saxon,  
The Comptroller of the Currency,  
Washington, D. C. 20220

Dear Jim:

It will be recalled that the Board's letter of June 27, 1962, stated that the Federal Reserve Banks would for the present and until further notice pay to your Office \$100 per copy for each report of examination requested and that it was assumed there would be no change in the practice under which copies of reports of examination of national member, District of Columbia, and State member banks are freely loaned back and forth between your Washington Office and the Board of Governors.

At the time this arrangement was concluded the national bank reports obtained included the "Report of Examination-Confidential Section" which was among the most important sources of information since it contained the examiner's summary comments concerning the general condition, earnings, management, ownership, and future prospects of the bank. However, when the form of report of examination of national banks was revised as of July 1964, the "Report of Examination-Confidential Section" also was materially revised and the examiner's summary comments with respect to the foregoing important matters were transferred to a new Supplemental Confidential Section. This Supplemental Section has not been supplied to the Federal Reserve Banks in the copies of reports which they have purchased. It also has not been furnished to the Board of Governors with the copies of examination reports borrowed from your Washington Office.

In view of the arrangements set out in the Board's letter of June 27, 1962, and the importance of the information which has been transferred to the new Supplemental Confidential Section, the Board would appreciate it if you would take steps to make sure that the copies of reports purchased by the Federal Reserve Banks and those borrowed by the Board here in Washington are complete reports of examination, including these Sections together with all other relevant information.

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

Item No. 10  
3/22/65

OFFICE OF THE CHAIRMAN

March 19, 1965.

The Honorable James J. Saxon,  
The Comptroller of the Currency,  
Washington, D. C. 20220

Dear Jim:

Thank you for your letter of March 17, 1965, stating that the Board and the individual Federal Reserve Banks will be provided with your new Supplemental Confidential Section of all reports of examination which you furnish to the Board and to the Reserve Banks. The Board and the Reserve Banks will, of course, treat these in confidence, as they do all reports of examination.

In order that System information may be current, we would appreciate it if a copy of each Supplemental Confidential Section omitted from a report previously furnished a Reserve Bank could be provided to the Reserve Bank as soon as possible.

Sincerely yours,

*Bill*

Wm. McC. Martin, Jr.