

Minutes for December 23, 1965

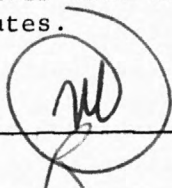
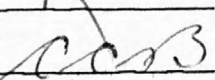
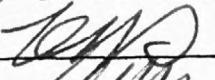

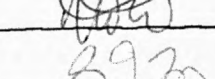
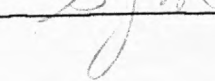

To: Members of the Board

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	<u></u>
Gov. Robertson	<u></u>
Gov. Balderston	<u></u>
Gov. Shepardson	<u></u>
Gov. Mitchell	<u></u>
Gov. Daane	<u></u>
Gov. Maisel	<u></u>

Minutes of the Board of Governors of the Federal Reserve System on Thursday, December 23, 1965. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Robertson, Acting Chairman
Mr. Shepardson
Mr. Mitchell
Mr. Maisel

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Holland, Adviser to the Board
Mr. Solomon, Adviser to the Board
Mr. Molony, Assistant to the Board
Mr. Fauver, Assistant to the Board
Mr. Hackley, General Counsel
Mr. Brill, Director, Division of Research and Statistics
Mr. O'Connell, Assistant General Counsel
Mr. Partee, Associate Director, Division of Research and Statistics
Mr. Leavitt, Assistant Director, Division of Examinations
Mr. Langham, Assistant Director, Division of Data Processing
Mr. Smith, Legal Assistant, Legal Division
Mr. Eckert, Chief, Banking Section, Division of Research and Statistics
Messrs. Burton, Egertson, and Maguire of the Division of Examinations
Miss Eaton, General Assistant, Office of the Secretary

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 Morgan Guaranty Trust Company of New York, New York, New York, approving the establishment of a branch at 299 Park Avenue, Borough of Manhattan.

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Item No.

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| Letter to Manufacturers Hanover Trust Company, New York, New York, approving the establishment of a branch at 866 Third Avenue, Borough of Manhattan. | 2 |
| Letters to State-Planters Bank of Commerce and Trusts, Richmond, Virginia, approving the establishment of branches at Chippenham Parkway and Forest Hill Avenue and at 4820 Jefferson Davis Highway, both in Chesterfield County. | 3-4 |
| Letter to Commerce Union Bank, Nashville, Tennessee, approving the establishment of two branches in a shopping center to be constructed in the vicinity of Thompson Lane and Powell Avenue, operations at the bank's existing office at 602 Thompson Lane to be discontinued simultaneously with the opening of the new offices. | 5 |
| Letter to Union Bank & Trust Company, Montgomery, Alabama, approving the establishment of a branch at the intersection of McGehee, Fisk, and Carter Hill Roads. | 6 |
| Letter to Citizens State Bank of Santa Paula, Santa Paula, California, approving the establishment of a branch in the Santa Paula Shopping Center. | 7 |
| Letter to County Trust Company, Tenafly, New Jersey, approving an extension of time to establish a branch at Franklin Street and West Clinton Avenue. | 8 |
| Letter to the Presidents of all Federal Reserve Banks transmitting copies of forms for use of State member banks and their affiliates in submitting condition reports as of the next call date. | 9 |

In connection with Item No. 9 it was noted that the Budget Bureau had now approved the condition report form along with the collection from national banks (as well as State member banks) of a

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schedule to be used for reporting by issue holdings of U.S. Government direct and guaranteed obligations and non-guaranteed obligations of Federal agencies. Accordingly, the approved letter to the Federal Reserve Banks contained appropriate changes from the draft that had been distributed.

Application of Barnett National Securities Corporation (Items 10 and 11). There had been distributed drafts of an order and statement reflecting the approval by the Board on November 3, 1965, of the application of Barnett National Securities Corporation, Jacksonville, Florida, to acquire shares of Barnett First National Bank of Jacksonville, Jacksonville, Florida.

After discussion, the issuance of the documents was authorized with the understanding that their issuance would be delayed until an order and statement were issued denying the application of Barnett National Securities Corporation to acquire shares of First National Beach Bank, Jacksonville Beach, Florida. Copies of the order and statement, as issued, are attached as Items 10 and 11.

Request of Franklin National Bank (Item No. 12). An inquiry had been received from Mr. Howard Crosse, Vice Chairman of Franklin National Bank, New York, New York, in a letter dated October 22, 1965, regarding the possibility of obtaining certain condition report data summarized by selected counties in New York. A memorandum dated December 22, 1965, from Mr. Langham had been distributed to the Board.

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It was understood that the requested data were to be used in preparing a holding company application.

Governor Robertson inquired what precedent would be established and what possible difficulties might be encountered later as a result of furnishing the information.

Mr. Langham said that the request involved some data that had not been published in their present form, and that some special tabulations for the purpose of filling the request would be required. The factor he was concerned about, however, was that if this were done for Mr. Crosse undoubtedly there would be requests from other applicants for the same type of information.

Governor Shepardson asked whether furnishing the information might place the Board in a vulnerable position by having helped an applicant to prepare an application.

Mr. O'Connell said that this had been his immediate reaction. However, Mr. Crosse was asking only for basic data, which would be supplied in such form as to prevent the identification of figures for individual banks. Then it would be up to the applicant to make use of the data in the way it considered most meaningful. The Board, if it refused the request, might be in the position of refusing to assist an applicant in preparing a meaningful application. The Board might wish later to take exception to the form in which certain data were

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presented in the application, but he did not believe the Board would be precluded from doing so by reason of having supplied basic figures.

Governor Maisel took the position that the Board should have a general policy of making information available and not be concerned with what use was made of it. A charge should be made based on the out-of-pocket and overhead cost to the Board of assembling such information. This service should be rendered to anyone who could use the information, provided the service could be supplied without undue interference with the Board's regular work. Information should be furnished if it was not confidential and was basically public information. If the inquirer was unwilling to pay the full cost, then a decision should be made on the basis of whether the compilation of the requested data would be of sufficient value to the Board to warrant its absorbing all or part of the cost.

Governor Robertson agreed that a general policy would seem desirable and pointed out that there were three factors involved. First, the Board should determine whether the requested information should be made available in any event; second, whether the job could be done by the Board's staff without undue inconvenience and delay of other projects; and third, whether a charge should be made.

Governor Mitchell indicated that he would go along with making a charge for the cost of assembling the data requested by Mr. Crosse,

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assuming that the Board's staff had no particular use for the data. This seemed doubtful in view of the large amount of detailed information being requested.

Mr. Partee commented that it was important for the Board's staff to be able to come to the Board on occasion with a recommendation for the provision of data cost-free for the use of serious and qualified students, and Governor Robertson remarked that this was a consideration he had had in mind in outlining the general policy that he would consider appropriate.

With respect to the Franklin National matter, Mr. O'Connell urged that a charge be made for the requested data on the ground that it would be desirable to avoid a possible assertion later that the Board had furnished free information to a particular applicant. In his view the preferable course would be to furnish the requested data at basic cost to the Board, and to let Mr. Crosse determine the use of the data. He would be reluctant to say that the Board did not consider the data relevant and therefore would not furnish it.

At this point in the discussion Governor Mitchell referred to certain correspondence that had occurred between Mr. Crosse and the Board's staff, one part of which seemed to imply that the Board might be reluctant to supply data of the kind requested. He suggested that the staff refrain from including in correspondence on such matters any indication of what decision might be made by the Board, at

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least in the absence of a clear policy concerning the course to be followed in dealing with requests for information. Governor Mitchell went on to say that he felt it would be desirable if a clear policy were formulated by the Board to the effect that if there was no element of confidentiality involved in a request, if the party requesting the data was a responsible individual or organization, and if the party making the request was prepared to pay the cost of assembling the data or some appropriate part of the cost, then the information would be furnished whenever that could be done without undue interference with the Board's regular work.

Mr. Hackley commented on the point of equal treatment of all applicants. He noted that some parties preparing to submit applications to the Board might not be aware of the possibility of securing data such as that which Mr. Crosse had requested. He also raised the question whether the Board would be prepared to perform a similar service for parties who might object to an application filed by Mr. Crosse's organization.

In a discussion of these points, Governor Maisel commented that a great deal would appear to depend on the degree of sophistication of particular applicants. He would not want to be in a position of saying that because some applicants were better informed than others, they should be denied requested data simply because less informed applicants did not take the initiative in asking for such data.

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Governor Shepardson commented that the appropriate position would seem to be to provide information on an equal basis at the request of any applicant or other interested party.

Governor Robertson then inquired whether the members of the Board were agreeable to providing the requested data to Mr. Crosse on the basis of making a charge for the cost of preparing the data unless it should be determined that the Board's staff itself saw a use for the data or some part of it. This would contemplate that if any other interested party expressed a desire for the same type of information, such information would be furnished to that party as well as Mr. Crosse. The Board would take no action at this time to advise parties generally of the availability of data of this general nature. However, it might be presumed that even though no general announcement was made, the word would get around in due course.

The members of the Board concurred in proceeding in the manner that Governor Robertson had described.

There followed a brief further discussion on the element of confidentiality in data supplied to Mr. Crosse. Mr. Langham described the steps proposed to be taken to guard against the identification of figures for individual banks, and it was agreed to leave this aspect of the matter to be worked out by the staff, with the understanding that appropriate procedures would be followed to guard against any violation of confidentiality.

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A copy of a letter sent subsequently to Mr. Crosse pursuant to the Board's action is attached as Item No. 12.

Effects of Regulation Q action (Item No. 13). Pursuant to a suggestion at yesterday's meeting of the Board, there had been prepared a draft of letter that might be sent to the Presidents of the Federal Reserve Banks requesting, as a follow-up to the Board's letter and telegram of December 17, 1965, that the Reserve Banks communicate with member banks that were paying, or planning to pay, rates of interest on certificates of deposit that might suggest the possibility of lack of prudence. The draft letter, copies of which were distributed at this meeting, included various questions that might be raised in communicating with such member banks.

The draft letter was reviewed, and a number of suggestions were made by members of the Board for recasting the letter to set forth more clearly the purpose for which the Reserve Banks were being asked to communicate with certain member banks and the types of information desired. On the basis of these suggestions, the Board requested the staff to prepare a revised draft letter for consideration by the Board later in the day.

The meeting then recessed and reconvened at 2:00 p.m. with Governors Robertson, Shepardson, Mitchell, and Maisel in attendance, along with Messrs. Sherman, Kenyon, Holland, Solomon (Adviser to the Board), Molony, Fauver, Hexter, and Leavitt and Miss Eaton of the Board's staff.

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The revised draft of letter to the Reserve Banks that had been requested by the Board earlier was distributed at this time, and members of the Board made a number of suggestions for additional language changes.

During this discussion it was brought out that the proposed procedure would involve direct contacts by Reserve Banks with many national banks, which might raise certain questions from the supervisory standpoint. However, the view expressed by members of the Board was that the procedure represented a logical follow-up to the request for information of December 17, 1965, and that the further information being sought should be available to the System in order that it might be kept fully and currently informed of developments within the banking community that might suggest a lack of prudence in response to the recently enhanced flexibility provided under Regulation Q. It was noted that the December 17 letter, of which the Comptroller of the Currency had been furnished a copy, indicated that additional information would be sought as necessary by the Federal Reserve System. In this context it was the view of the Board that it would be appropriate to move ahead on the basis of the contemplated procedure.

At the conclusion of the discussion unanimous approval was given to a letter to the Presidents of all Federal Reserve Banks in the form attached as Item No. 13.

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

	<u>Item No.</u>
Letter to Boston Overseas Financial Corporation, Boston, Massachusetts, approving an amendment to the Corporation's Articles of Association.	14
Letter to Marine Midland Trust Company of Southern New York, Elmira, New York, approving the establishment of a branch in the Conklin Shopping Plaza, Town of Conklin.	15
Letter to The Fifth Third Union Trust Company, Cincinnati, Ohio, approving the establishment of a branch in Blue Ash.	16
Letter to The Oberlin Savings Bank Company, Oberlin, Ohio, approving the establishment of a branch in Wellington.	17
Letter to Devon Bank, Chicago, Illinois, waiving the requirement of six months' notice of withdrawal from membership in the Federal Reserve System.	18
Letter to the Federal Reserve Bank of Chicago waiving the assessment of a penalty incurred by National Bank and Trust Company, South Bend, Indiana, because of a deficiency in its required reserves.	19
Letter to The Detroit Bank and Trust Company, Detroit, Michigan, approving the establishment of a branch at 7201 West Fort Street.	20
Letter to Stock Growers' Bank of Wheatland, Wheatland, Wyoming, approving an investment in bank premises.	21

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	<u>Item No.</u>
Letter to Bank of America National Trust and Savings Association, San Francisco, California, approving an extension of time to establish a branch in Tegucigalpa, Honduras.	22
Letter to Bank of Illinois Valley, Cave Junction, Oregon, waiving the requirement of six months' notice of withdrawal from membership in the Federal Reserve System.	23
Letter to the Federal Reserve Bank of Richmond approving the appointment of B. F. Armstrong as Federal Reserve Agent's Representative for the sole purpose of custody of Federal Reserve notes stored at cash agent banks.	24
Letter to the Federal Reserve Bank of Dallas approving the continued payment of salary to David W. Adams while serving as Senior Security Files Clerk at the Bank's record storage center at Denton, Texas.	25
Letter to the Federal Reserve Bank of Dallas approving the appointment of James E. Phillips and Carroll D. Blake as Alternate Assistant Federal Reserve Agents.	26

There followed a discussion of several items that had been distributed to the Board and were awaiting consideration, and comments were made with respect to the manner in which it would seem appropriate for them to be handled.

Mr. Leavitt reported to the Board briefly on certain information that had been received through the Federal Reserve Bank of Atlanta with respect to the Miami National Bank, Miami, Florida.

The meeting then adjourned.

12/23/65

Secretary's Note: Governor Shepardson today approved on behalf of the Board the following items:

Memorandum from the Division of Research and Statistics dated December 13, 1965, requesting that 19 specified members of the staff of that Division be authorized to attend at Board expense the annual meetings of the Allied Social Science Associations to be held in New York City, December 28-30, 1965.

Memorandum from the Division of Research and Statistics dated December 14, 1965, requesting that the Board authorize the following special arrangements with regard to Ann P. Ulrey, Economist in the Capital Markets Section: six to nine months' leave without pay beginning January 3, 1966; permission for the requisitioning of Mrs. Ulrey's services on current analyses in Washington, as needed; and continued work on a part-time basis away from the Board's offices, for a period up to the full-time equivalent of 13 weeks, on a monograph on the U.S. capital markets. It was understood that various technical matters involved in the implementation of this authorization would be worked out with Mrs. Ulrey by the Office of the Controller and the Division of Personnel Administration.

Memorandum from the Division of Research and Statistics dated December 22, 1965, recommending dual occupancy for a limited period of an economist position in the Capital Markets Section.

Memoranda recommending the following actions relating to the Board's staff:

Appointments

Rita Dolores Oddone as Secretary, Office of the Secretary, with basic annual salary at the rate of \$6,086, effective December 27, 1965.

Helen L. Lee as Payroll Clerk, Office of the Controller, with basic annual salary at the rate of \$5,352, effective the date of entrance upon duty.

Transfers

Sylvia Ileen Clements, from the position of Secretary in the Division of Personnel Administration to the position of Secretary in the Division of Administrative Services, with an increase in basic annual salary from \$7,430 to \$7,925, effective January 2, 1966.

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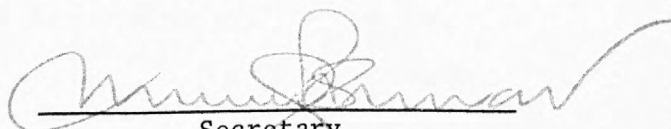
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Transfers (continued)

Lois Orr, from the position of Secretary in the Division of International Finance to the position of Special Assistant Federal Reserve Examiner in the Division of Examinations, with an adjustment in basic annual salary from \$5,702 to \$5,694, effective January 2, 1966.

Acceptance of resignation

Grace T. Colwell, Records Clerk, Office of the Secretary, effective at the close of business December 31, 1965.


Secretary

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

4386
Item No. 1
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
Morgan Guaranty Trust Company
of New York,
New York, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Morgan Guaranty Trust Company of New York, New York, of a branch at 299 Park Avenue, Borough of Manhattan, New York, New York, provided the branch is established within 21 months from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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

4387
Item No. 2
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
Manufacturers Hanover Trust Company,
New York, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Manufacturers Hanover Trust Company, New York, New York, of a branch at 866 Third Avenue, Borough of Manhattan, New York, New York, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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. 3
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
State-Planters Bank of Commerce and Trusts,
Richmond, Virginia.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by State-Planters Bank of Commerce and Trusts, Richmond, Virginia, of a branch in Chesterfield County, Virginia, at the southeast corner of Chippenham Parkway and Forest Hill Avenue, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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.)

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Item No. 4
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
State-Planters Bank of Commerce and Trusts,
Richmond, Virginia.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by State-Planters Bank of Commerce and Trusts, Richmond, Virginia, of a branch in Chesterfield County, Virginia, at 4820 Jefferson Davis Highway, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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

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Item No. 5
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
Commerce Union Bank,
Nashville, Tennessee.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of two branches by Commerce Union Bank, Nashville, Tennessee, in a shopping center to be constructed in the vicinity of the intersection of Thompson Lane and Powell Avenue, Nashville, Tennessee (one of the branches to be a drive-in facility located on the shopping center parking lot), provided such branches are established within one year from the date of this letter and provided operations at the bank's existing office at 602 Thompson Lane are discontinued simultaneously with the opening of the new offices.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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 branches; 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.)

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Item No. 6
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
Union Bank & Trust Company,
Montgomery, Alabama.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Union Bank & Trust Company, Montgomery, Alabama, of a branch at the intersection of McGehee, Fisk, and Carter Hill Roads, Montgomery, Alabama, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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

4392
Item No. 7
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965



Board of Directors,
Citizens State Bank of
Santa Paula,
Santa Paula, California.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Citizens State Bank of Santa Paula, Santa Paula, California, of a branch in the Santa Paula Shopping Center, Santa Paula, California, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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. 8
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Board of Directors,
County Trust Company,
Tenafly, New Jersey.

Gentlemen:

The Board of Governors of the Federal Reserve System extends to November 1, 1967, the time within which County Trust Company may establish a branch at the southwest corner of the intersection of Franklin Street and West Clinton Avenue, Tenafly, New Jersey.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

12/23/65

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965.



Dear Sir:

The indicated number of copies of the following forms are being forwarded to your Bank under separate cover for use of State member banks and their affiliates in submitting reports as of the next call date. A copy of each form is attached.

Number of
copies

Form FR 105 (Call No. 178), Report of Condition of State member banks.

Supplement to Form FR 105a, Instructions for Preparation of Reports of Condition (December 1965).

Form FR 105e (Revised December 1965), Publisher's copy of report of condition of State member banks.

Form FR 105e-1 (Revised December 1965), Publisher's copy of report of condition of State member banks.

Form FR 220 (Revised March 1952), Report of affiliate or holding company affiliate.

Form FR 220a (Revised March 1952), Publisher's copy of report of affiliate or holding company affiliate.

The revised forms to be used for this call are those resulting from the extended negotiations between the Federal and State bank supervisory authorities. Form FR 105 includes the schedules on the reverse, which were eliminated in the fall call. A new issue Schedule B for reporting U.S. Government direct and guaranteed obligations and obligations of Federal agencies not guaranteed replaces the old maturity classification Schedule B for reporting

U.S. Government obligations. Changes from the old form were discussed in detail in a December 8, 1965 memorandum to the Vice Presidents in Charge of the Research and Examination Departments.

The same form will be printed by the Federal Deposit Insurance Corporation for distribution to insured nonmember State banks. The Comptroller of the Currency will distribute a form to national banks which is substantially the same except for those differences noted in the December 8 memorandum. The national bank condition form will continue to include the old Schedule B, which will not be keypunched. The form will be keypunched in the same card format as the State member form and, except for adjustments for the repurchase/resale transactions, differences will be adjusted in processing here.

Because information on the classification of U.S. Government and Federal agency securities to be collected by the Comptroller of the Currency will not be compatible with information to be collected from State banks, it will be necessary for the Reserve Banks to collect supplementary information from all national banks. A copy of the form to be used is attached.

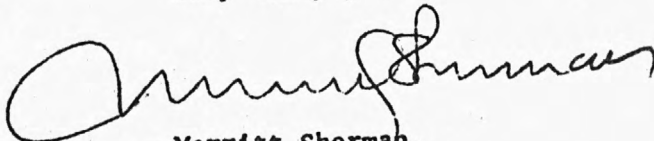
Consistent data from all commercial banks are required for the use of financial analysts in Government and elsewhere and by the Federal Reserve System in the formulation of monetary policy. It will also be very useful to the Treasury Department in supplementing the regular Ownership Survey by furnishing information on Government security issues held by smaller banks and providing semiannual all-commercial-bank data for benchmark purposes. The Treasury has long felt the need for information that would permit designing of new security issues to meet the needs of smaller banks.

The form is relatively simple and self-explanatory and should require few instructions in the transmittal letter. National banks should be specifically instructed to complete the slip sheet Schedule B on the same basis as the condition report submitted to the Comptroller, with respect to the treatment of repurchase and resale transactions as ordinary purchases and sales. Book value items in Schedule B will agree with the face of the condition report. All securities owned by the bank should be reported, including securities pledged or loaned. The "Other" item in the U.S. Government obligations schedule should include only the few securities the banking agencies have asked to be included with guaranteed obligations for statistical reporting purposes. These are Merchant Marine bonds insured under Title XI of the Merchant Marine Act of 1936 and the so-called "Capehart Loans" for military housing issued under the Capehart Act and accepted for guarantee of payments by the

appropriate military establishment. The "Other" item in the Federal agency securities schedule should include only Participation Certificates in the Federal National Mortgage Association Government Mortgage Liquidation Trust.

Further instructions on the processing of the issue-reporting Schedule B and final card formats, error indicator--edit check lists, and keypunching and processing procedures for State and national bank condition report forms will all be sent to you as soon as they become available.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Merritt Sherman', written in dark ink.

Merritt Sherman,
Secretary.

Enclosures.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS.

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the Matter of the Application of
BARNETT NATIONAL SECURITIES CORPORATION,
JACKSONVILLE, FLORIDA,
for approval of the acquisition of voting
shares of Barnett First National Bank of
Jacksonville, Jacksonville, Florida.

ORDER APPROVING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(2)) and section 222.4(a)(2) of Federal Reserve Regulation Y (12 CFR 222.4(a)(2)), an application on behalf of Barnett National Securities Corporation, Jacksonville, Florida, a registered bank holding company, for the Board's approval of the acquisition of 80 per cent or more of the voting stock of Barnett First National Bank of Jacksonville, Jacksonville, Florida.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application. Notice of receipt of the

application was published in the Federal Register on August 25, 1965 (30 Federal Register 11006), which provided an opportunity for submission of comments and views regarding the application. Time for filing such comments and views has expired and all comments and views filed with the Board have been considered by it.

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

Dated at Washington, D. C., this 27th day of December, 1965.

By order of the Board of Governors.

Voting for this action: Unanimous, with all members present.

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

(SEAL)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

APPLICATION BY BARNETT NATIONAL SECURITIES CORPORATION
FOR APPROVAL OF THE ACQUISITION OF VOTING SHARES OF
BARNETT FIRST NATIONAL BANK OF JACKSONVILLE, JACKSONVILLE, FLORIDA

STATEMENT

Barnett National Securities Corporation, Jacksonville, Florida ("Applicant" or "Barnett"), a registered bank holding company, has applied to the Board of Governors, pursuant to the Bank Holding Company Act of 1956 ("the Act"), for permission to acquire 80 per cent or more of the voting stock of Barnett First National Bank of Jacksonville, Jacksonville, Florida ("Bank").

Views and recommendation of supervisory authority. - As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application.

Statutory factors. - Section 3(c) of the Act requires the Board to take into consideration the following five factors: (1) the financial history and condition of the holding company and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of the proposed

acquisition would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

Discussion. - Applicant owns majority control of five Florida banks^{1/} which, at December 31, 1964,^{2/} had combined deposits of about \$75 million. The subsidiary banks each operate a single office; two of the banks are located in Jacksonville and the others are in Cocoa, DeLand, and St. Augustine.

Applicant was organized in 1930, with its initial capital being provided by the shareholders of Bank - Bank's corporate title then being The Barnett National Bank of Jacksonville. From the time of organization until December 22, 1961, Applicant's stock was trusteeed for the benefit of Bank's shareholders and such stock was, by agreement, transferable only in conjunction with the transfer of an equal number of Bank's shares. The agreement restricting the transfer of Applicant's stock was terminated on the above date, but substantial common ownership of the stock of Applicant and Bank remains. At a recent date, about 97 per cent of Applicant's outstanding stock was determined to be owned by shareholders who also owned about 96 per cent of the outstanding stock

^{1/} One of the five banks, San Jose Barnett Bank, Jacksonville, commenced operations on May 20, 1965, and had deposits of \$1.4 million at June 30, 1965.

^{2/} Unless otherwise indicated, all banking data noted are as of this date.

of Bank. In addition to such common ownership, nine of Applicant's eleven directors serve as officers and/or directors of Bank, and five of those same persons are, individually, board chairmen of the five subsidiary banks.

Applicant's financial history and condition are satisfactory. Its prospects, measured largely by the sound condition and satisfactory deposit and earnings growth of its subsidiary banks, also appear satisfactory, and its management is regarded as capable and experienced.

Bank was founded in 1877 and, with deposits of \$159 million, is today the third largest bank in the Jacksonville metropolitan area. The Board finds its financial history and condition to be satisfactory, its future prospects favorable, and its management satisfactory.

Since Applicant's formation in 1930, due to the aforementioned common ownership and interlocking managements of Applicant and Bank, Bank has been and is now considered, for all practical purposes, as one of the Barnett Group of banks. In the Board's appraisal of the probable effect of the acquisition proposed, due consideration has been given the long-established affiliation between Bank and the Barnett Group. It is concluded that consummation of the acquisition proposed will involve primarily a change in form, with no attending measurable change in either the scope or nature of Bank's present operations. Accordingly, the acquisition will have no material effect on the convenience, needs, and welfare of the area concerned.

Nor, in the Board's judgment, will the proposed change of Bank's ownership alter the existing scope or extent of Applicant's system, which, as constituted, the Board finds to be within limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

On the basis of all the relevant facts as contained in the record before the Board, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be consistent with the public interest and that the application should therefore be approved.

December 27, 1965.

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

Item No. 12
12/23/65



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 28, 1965.

Mr. Howard D. Crosse, Vice Chairman,
Franklin National Bank,
130 Pearl Street,
New York, New York. 10015

Dear Mr. Crosse:

Pursuant to your request of October 22 and subsequent discussions between the Board's Division of Data Processing and your staff, the Board is agreeable to compiling and furnishing to you on a reimbursable basis summaries of all items from reports of condition submitted by member banks in selected counties in New York as of midyear and end-of-year call dates 1960-1965, inclusive. It is estimated that such costs will be less than \$200.

It is understood that, if necessary, further combination of summary statistics by counties than now anticipated may be required after these statistics are developed to insure maintenance of confidentiality of data reported by individual banks.

If these conditions are satisfactory to you, please notify Mr. Langham, Division of Data Processing, and the necessary processing will be fitted into the Division's schedule as soon as practicable.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,
Assistant Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

44074
Item No. 13
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965.

CONFIDENTIAL (FR)

Dear Sir:

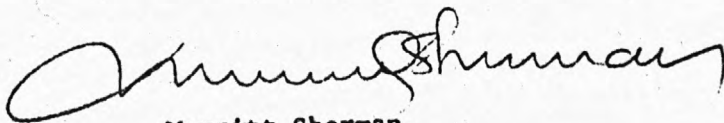
With further reference to the Board's telegram and letter of December 17, and in order that the System may be kept fully and currently informed of the effects of the recent Regulation Q action, it is requested that you or another appropriate officer of your Bank communicate with member banks, State or national, that are offering to pay or are paying a rate of interest on certificates of deposit that might suggest the possibility of lack of prudence. Particular attention should be given to those banks now paying or planning to pay interest at a rate in excess of 4-1/2 per cent on nonnegotiable CDs (including savings certificates or "savings bonds"), or in excess of 4-3/4 per cent on negotiable CDs.

Efforts should be made to determine the likely sources of any expected time deposit increase. Is the higher rate being paid to all who ask? Are there any qualifying conditions such as maintaining a demand deposit over the life of the CD or confining such higher rate to long-term CDs only? What about the volatility of the expected new deposits? What provisions are being made in case of a sudden withdrawal of a substantial volume of new and presumably interest-sensitive deposits? Has the bank calculated the costs of raising funds at the new rates, as compared with the previous rate? How much additional money will be attracted? What cost, if any, will there be in larger payments on existing deposits? Can the bank inaugurate operating economies that will permit payment of the higher rate?

The manner in which the bank proposes to employ its funds in order to pay the higher rates also should be explored. What outlets for funds are available? Will there be sufficient profitable loans available so that the net earnings of the bank will not fall sharply? Will it be necessary for the bank to liberalize lending and/or investing policies in order that the higher rate may be paid--i.e., will the higher rate of interest require employment of a larger percentage of deposits in earning assets and, if so, what consideration has been given to maintenance of the proper degree of liquidity? What will be the effect on the bank's capital needs?

The officer making these contacts should, of course, bear in mind that the System's purpose is solely to develop information relating to the prudence of actions by banks in response to the recently enhanced flexibility provided under Regulation Q. The Board will appreciate your transmitting promptly summary comments regarding the information developed in your contacts with individual banks.

Very truly yours,



Merritt Sherman,
Secretary.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Item No. 14
12/23/65

WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



December 27, 1965

Boston Overseas Financial Corporation,
67 Milk Street,
Boston, Massachusetts. 02106

Gentlemen:

Reference is made to your letter dated December 9, 1965, enclosing a Consent signed under date of December 9, 1965, on behalf of The First National Bank of Boston, sole shareholder of your Corporation, consenting to the amendment of the Articles of Association of your Corporation to increase the capital stock to \$3,000,000 consisting of 30,000 shares of the par value of \$100 each.

SEVENTH. The Board of Governors approves the amendment to Article Please advise the Board when the capital increase has been effected.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.



4407

**BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM**

WASHINGTON, D. C. 20551

Item No. 15
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 28, 1965

Board of Directors,
Marine Midland Trust Company
of Southern New York,
Elmira, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Marine Midland Trust Company of Southern New York, Elmira, New York, of a branch in the Conklin Shopping Plaza at the northeast corner of the intersection of Conklin Road and Fairlane Drive, Town of Conklin (unincorporated area), Broome County, New York, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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. 16
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 28, 1965



Board of Directors,
The Fifth Third Union
Trust Company,
Cincinnati, Ohio.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Fifth Third Union Trust Company, Cincinnati, Ohio, of a branch at 4775 Glendale-Milford Road, Blue Ash, Ohio, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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

4409
Item No. 17
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 28, 1965

Board of Directors,
The Oberlin Savings Bank Company,
Oberlin, Ohio.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Oberlin Savings Bank Company, Oberlin, Ohio, of a branch at 216 North Main Street, Wellington, Ohio, provided the branch is established within six months from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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.)

4410

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

Item No. 18
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965



Board of Directors,
Devon Bank,
Chicago, Illinois.

Gentlemen:

The Federal Reserve Bank of Chicago has forwarded to the Board of Governors Vice President and Cashier Nicholson's letter dated December 11, 1965, together with the accompanying resolutions dated November 16, 1965, signifying your intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

The Board of Governors waives the requirement of six months' notice of withdrawal. 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 that notice of intention to withdraw from membership was given. Upon surrender to the Federal Reserve Bank of Chicago of the Federal Reserve stock issued to your institution, such stock will be cancelled and appropriate refund will be made thereon.

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

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

4411

Item No. 19
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965

Mr. Laurence H. Jones, Vice President
and Cashier,
Federal Reserve Bank of Chicago,
P. O. Box 834,
Chicago, Illinois. 60690.

Dear Mr. Jones:

This refers to your letter of December 14, 1965, regarding a penalty of \$266.96 incurred by the National Bank and Trust Company, South Bend, Indiana, on an average deficiency in reserves of \$116,000 for the biweekly computation period ended December 8, 1965.

It is noted that (1) the deficiency occurred because a draft on the bank's reserve account was presented for payment earlier than the bank had expected; (2) because the charge was made on the last day of the reserve period, it had no opportunity to adjust its reserves; and (3) it has had a good record in maintaining its reserves.

In the circumstances, the Board authorizes your Bank to waive the assessment of the penalty of \$266.96 for the period ended December 8, 1965.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

4412

Item No. 20
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965

Board of Directors,
The Detroit Bank and Trust Company,
Detroit, Michigan.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Detroit Bank and Trust Company, Detroit, Michigan, of a branch at 7201 West Fort Street, Detroit, Michigan, provided the branch is established within six months from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
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.)

4413

Item No. 21
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965

Board of Directors,
Stock Growers' Bank of Wheatland,
Wheatland, Wyoming.

Gentlemen:

Pursuant to the provisions of Section 24A of the Federal Reserve Act, the Board of Governors of the Federal Reserve System approves an investment of not to exceed \$150,000 by Stock Growers' Bank of Wheatland, Wheatland, Wyoming, in bank premises for the purpose of acquiring land and constructing a building for banking quarters.

It is understood that the combined capital and surplus of the bank will be increased to \$300,000 in order to comply with Wyoming Statutes.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

Item No. 22
12/23/65

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965

Bank of America National Trust
and Savings Association,
300 Montgomery Street,
San Francisco, California. 94120

Gentlemen:

Reference is made to your letter of November 23, 1965, referring to the Board's letter of January 6, 1965, which granted permission to your Bank to establish a branch in Tegucigalpa, Honduras. Authority to establish the branch would automatically terminate on January 1, 1966.

You state that negotiations with banking authorities in Honduras have taken longer than anticipated due to the opposition of local bank interests and your proposed capital investment. However, it is understood that tentative agreement has now been reached but that it will not be possible to open the branch by January 1, 1966. Accordingly, the date specified in the Board's letter of January 6, 1965, is extended to January 1, 1967.

As you are aware, with respect to the establishment of foreign branches, funds provided by home office (whether in the form of allocated capital, advances, or otherwise) should be regarded as foreign assets for purposes of the voluntary foreign credit restraint effort.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.



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

4415
Item No. 23
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 27, 1965

Board of Directors,
Bank of Illinois Valley,
Cave Junction, Oregon.

Gentlemen:

The Federal Reserve Bank of San Francisco has forwarded to the Board of Governors a letter dated December 3, 1965, signed by Vice President Gagnon and Executive Vice President and Secretary Mitchell, together with the accompanying resolution dated September 15, 1965, signifying your intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

The Board of Governors waives the requirement of six months' notice of withdrawal. 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 that notice of intention to withdraw from membership was given. Upon surrender to the Federal Reserve Bank of San Francisco of the Federal Reserve stock issued to your institution, such stock will be cancelled and appropriate refund will be made thereon.

It is requested that the certificate of membership be returned to the Federal Reserve Bank of San Francisco.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.



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

4418
Item No. 24
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 23, 1965

Mr. Edwin Hyde,
Federal Reserve Agent,
Federal Reserve Bank of Richmond,
Richmond, Virginia. 23213.

Dear Mr. Hyde:

As requested in your letter of December 8, 1965,
the Board of Governors approves the appointment of Mr. B. F.
Armstrong, Assistant Cashier of the Baltimore Branch, to
succeed Mr. A. C. Wienert as Federal Reserve Agent's
Representative for the sole purpose of custody of Federal
Reserve notes stored at Cash Agent Banks.

Please have Mr. Armstrong 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

4417
Item No. 25
12/23/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 4, 1966

CONFIDENTIAL (FR)

Mr. James A. Parker, Vice President,
Federal Reserve Bank of Dallas,
Dallas, Texas. 75222

Dear Mr. Parker:

In view of the circumstances outlined in your letter of December 8, 1965, the Board of Governors approves the continued payment of salary to Mr. David W. Adams at the present rate of \$7,750 per annum while serving as Senior Security Files Clerk at the Bank's record storage center at Denton, Texas. It is understood that this salary is in excess of the maximum for the position to which Mr. Adams will be assigned.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Item No. 26
12/23/65

WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 3, 1966



Mr. Robert O. Anderson,
Chairman of the Board and
Federal Reserve Agent,
Federal Reserve Bank of Dallas,
Dallas, Texas. 75222.

Dear Mr. Anderson:

In accordance with the request contained in your letter of December 9, 1965, the Board of Governors approves the appointment of Messrs. James E. Phillips and Carroll D. Blake as Alternate Assistant Federal Reserve Agents at the Federal Reserve Bank of Dallas to succeed Messrs. Jesse D. Sanders and J. Lero Griffin.

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

When not engaged in the performance of their duties as Alternate Assistant Federal Reserve Agents Messrs. Phillips and Blake may, with the approval of the Federal Reserve Agent and the President, perform such work for the Bank as will not be inconsistent with their duties as Alternate Assistant Federal Reserve Agents.

It will be appreciated if Messrs. Phillips and Blake are fully informed of the importance of their responsibilities as members 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 Messrs. Phillips and Blake execute the usual Oaths of Office which should be forwarded to the Board of Governors along with notification of the effective date of their appointments.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.