

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 5151]
[February 13, 1962]

Board of Governors' Rules of Organization and Procedure

To All Banks and Trust Companies, and Others
Concerned, in the Second Federal Reserve District:

Enclosed is a copy of the Rules of Organization and Procedure of the Board of Governors of the Federal Reserve System, as revised effective December 15, 1961, and amended effective January 12, 1962. In the revision, the former Rules of Organization and Rules of Procedure were divided into four parts—Rules of Organization; Rules Regarding Information, Submittals, and Requests; Rules of Procedure; and Rules of Practice for Formal Hearings. The revised Rules of Procedure include, in subparagraphs (1) through (6) of section 262.2(f), provisions effective November 1, 1961 regarding procedures followed by the Board on applications under section 3 of the Bank Holding Company Act of 1956, and bank merger applications under section 18(c) of the Federal Deposit Insurance Act. An amendment, effective January 12, 1962, added subparagraph (7) to section 262.2(f) of the revised Rules of Procedure.

Additional copies of the enclosure will be furnished upon request.

ALFRED HAYES,
President.

**BOARD OF GOVERNORS
of the
FEDERAL RESERVE SYSTEM**

RULES OF ORGANIZATION AND PROCEDURE

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**Issued Pursuant to the
ADMINISTRATIVE PROCEDURE ACT
and other relevant provisions of law**



Printed February 1962

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FOREWORD: BASIS AND PURPOSE

The following Rules are issued by the Board of Governors of the Federal Reserve System pursuant to the Administrative Procedure Act (5 U.S.C. 1001-1011), and other relevant provisions of law, including provisions of the Federal Reserve Act.

As required by section 3 of the Administrative Procedure Act, these Rules (1) describe the Board's "Central and field organization including delegations . . . of final authority and the established places at which, and methods whereby, the public may secure information or make submittals or requests;" (2) state "the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available as well as forms and instructions as to the scope and contents of all papers, reports, or examinations;" and (3) indicate the circumstances in which (a) final opinions or orders of the Board are made "available to public inspection" and (b) matters of official record are made "available to persons properly and directly concerned."

INQUIRIES REGARDING THIS PAMPHLET

Any inquiry relating to this pamphlet should be addressed to the Federal Reserve Bank of the district in which the inquiry arises.

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tion of monetary and credit policy; fosters governmental and public knowledge and understanding of economic trends underlying System policies; and conducts research on money and banking, public finance, production, trade, agriculture, prices, national income, employment and wages, capital markets, consumer credit and finances, flow of funds, and savings.

(d) **Division of International Finance**, headed by a Director, advises and assists the Board on international financial and economic matters and conducts research in this field. It carries on staff work in connection with the supervision of foreign operations of the Federal Reserve System and the membership of the Chairman of the Board on the National Advisory Council on International Monetary and Financial Problems.

(e) **Division of Bank Operations**, headed by a Director, advises and assists the Board with respect to matters concerning the condition, operation, and reports of the Federal Reserve Banks, arranges for printing and shipment of Federal Reserve notes to supply the Federal Reserve Banks, collects and prepares various data regarding the condition, operations, expenses, and earnings of Reserve Banks, member banks, and other banks, and maintains liaison with Treasury Department and other Government agencies on Fiscal Agency operations of Reserve Banks.

(f) **Division of Examinations**, headed by a Director, examines the Federal Reserve Banks and keeps currently informed on the activities of their internal auditing staffs, reviews and coordinates the bank examination functions of the Federal Reserve Banks (which examine the State member banks and their holding company and other affiliates), reviews reports of such examinations, and advises and assists the Board with respect to bank supervisory activities of the Federal Reserve System, and with respect to various applications, such as applications for membership in the System, for trust powers, for establishment of foreign banking and financial corporations, for establishment of branches, for bank mergers, and for establishment or expansion of bank holding companies.

(g) **Division of Personnel Administration**, headed by a Director, is responsible for the administration of the Board's personnel program, serves as the security office, and advises and assists the Board on personnel matters pertaining to the Federal Reserve Banks.

(h) **Division of Administrative Services**, headed by a Director, serves as the central procurement, electronic computer, machine tabulation, duplicating, communications, and service unit of the Board and advises and assists the Board with respect to such matters. It also performs various administrative functions, including the distribution

of Board publications and the operation of the Board's building and other facilities.

(i) **Office of the Controller**, headed by the Board's Controller, is responsible for the receipt and disbursement of the Board's funds, maintenance of the books of account, and the formulation of the Board's budget. It analyzes operations and conducts internal audits, computes assessments upon the Federal Reserve Banks for the expenses of the Board and of System leased wire operations, and handles reimbursement to the Treasury Department for printing, issuing, and redeeming Federal Reserve notes.

(j) **Office of Defense Planning**, headed by a Coordinator, is responsible for the development of the Board's defense planning program and the coordination of that program with those of the Federal Reserve Banks. It maintains liaison regarding defense matters with Government departments and agencies, and promotes the commercial bank preparedness program.

(k) **Other Personnel**.—In addition to the Divisions mentioned above, the staff of the Board includes Advisers and Assistants to the Board and a Legislative Counsel. The Federal Reserve Bulletin is issued monthly under the direction of a Staff Editorial Committee which is responsible for interpretations and opinions expressed therein, except in official statements and signed articles. The Board does not employ hearing examiners as regular members of its staff; but, in accordance with applicable provisions of law and in individual cases as the need may arise, the Board obtains and utilizes hearing examiners, whose functions in such capacity are appropriately separated from investigative and prosecuting functions of the staff as required by law.

SECTION 3—FIELD ORGANIZATION

The United States is divided into 12 Federal Reserve districts. In one city in each Federal Reserve district there is located a Federal Reserve Bank, and in 10 of the districts there are one or more branches of the Federal Reserve Bank in other cities. Each Federal Reserve Bank is a separate legal entity, created pursuant to the Federal Reserve Act and operating under the general supervision of the Board. The locations of the 12 Federal Reserve Banks and their 24 branches and the boundaries of the Federal Reserve district and branch territories are shown in Appendix A. Each Federal Reserve Bank, in addition to its other duties, carries out local functions for the Board pursuant to instructions of the Board, and in many matters acts as the Board's field representative in the Bank's district. It assists in administering

the Board's regulations and policies locally under instructions of the Board, keeps the Board informed of local conditions, and recommends such action as it thinks appropriate for general policies or in particular cases.

It is desirable and convenient for persons concerned with Federal Reserve matters to deal in the first instance with the Federal Reserve Bank of the appropriate district or a branch thereof, and the Board requests all persons to follow this procedure.

At each Federal Reserve Bank, one of the three directors of the Bank appointed by the Board is designated by the Board as Chairman of the board of directors of the Bank and as Federal Reserve Agent. He acts as the Board's official representative and maintains a local office of the Board on the premises of the Federal Reserve Bank.

SECTION 4—DELEGATIONS OF FINAL AUTHORITY

The Board does not delegate its authority on any question of general policy, and its functions are such that there is no delegation of final authority.

APPENDIX A

LIST OF FEDERAL RESERVE BANKS AND BRANCHES

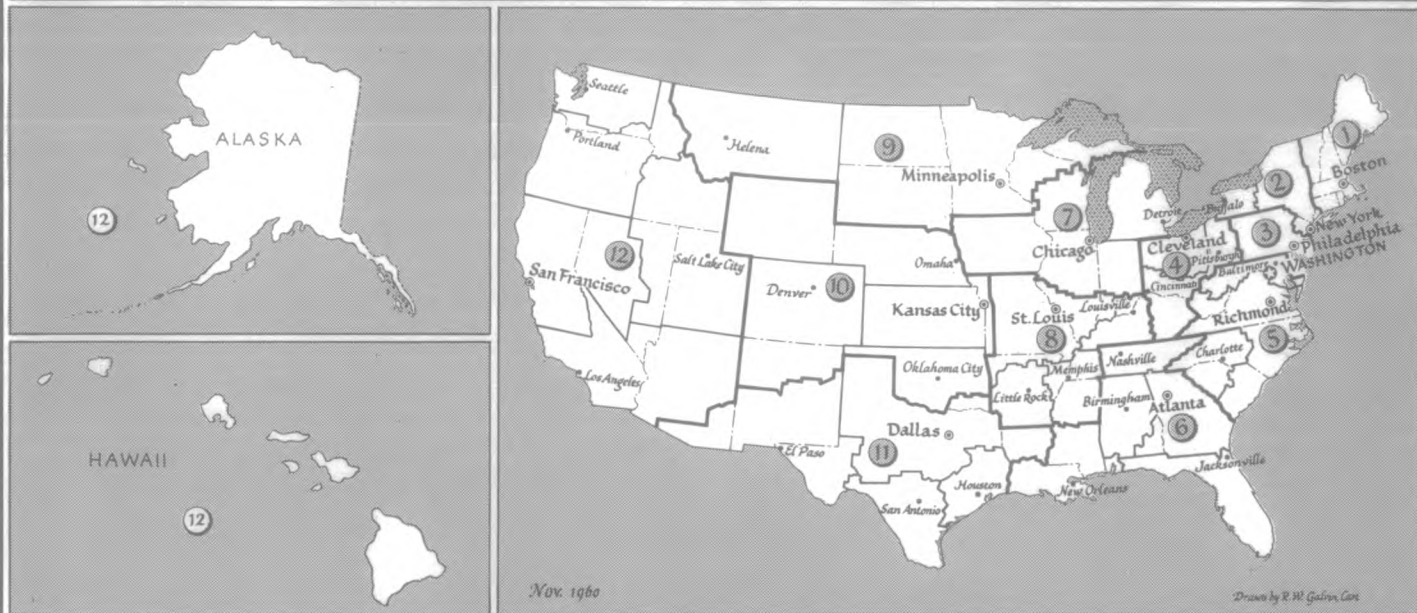
<i>Federal Reserve Bank of</i>	<i>Address</i>
BOSTON	30 Pearl Street (Boston 6, Massachusetts)
NEW YORK	33 Liberty Street (New York 45, New York)
Buffalo Branch	160 Delaware Avenue (Buffalo 5, New York)
PHILADELPHIA	925 Chestnut Street (Philadelphia 1, Pennsylvania)
CLEVELAND	1455 East Sixth Street (Cleveland 1, Ohio)
Cincinnati Branch	105 West Fourth Street (Cincinnati 1, Ohio)
Pittsburgh Branch	717 Grant Street (Pittsburgh 30, Pennsylvania)
RICHMOND	100 North Ninth Street (Richmond 13, Virginia)
Baltimore Branch	114-120 East Lexington Street (Baltimore 3, Maryland)
Charlotte Branch	401 South Tryon Street (Charlotte 1, North Carolina)
ATLANTA	104 Marietta Street, N. W. (Atlanta 3, Georgia)
Birmingham Branch	1801 Fifth Avenue, North (Birmingham 2, Alabama)
Jacksonville Branch	515 Julia Street (Jacksonville 1, Florida)
Nashville Branch	301 Eighth Avenue, North (Nashville 3, Tennessee)
New Orleans Branch	147 Carondelet Street (P. O. Box 1630, New Orleans 11, Louisiana)
CHICAGO	230 South LaSalle Street (P. O. Box 834, Chicago 90, Illinois)
Detroit Branch	160 Fort Street, West (P. O. Box 1059, Detroit 31, Michigan)
ST. LOUIS	411 Locust Street (P. O. Box 442, St. Louis 66, Missouri)
Little Rock Branch	121 West Third Street (P. O. Box 1261, Little Rock, Arkansas)
Louisville Branch	410 South Fifth Street (P. O. Box 899, Louisville 1, Kentucky)
Memphis Branch	170 Jefferson Street (P. O. Box 407, Memphis 1, Tennessee)
MINNEAPOLIS	73 South Fifth Street (Minneapolis 2, Minnesota)
Helena Branch	400 North Park Avenue (Helena, Montana)
KANSAS CITY	925 Grand Avenue (Kansas City 6, Missouri)
Denver Branch	1111 Seventeenth Street (Denver 17, Colorado)
Oklahoma City Branch	226 Northwest Third Street (Oklahoma City 1, Oklahoma)
Omaha Branch	102 South Seventeenth Street (Omaha 2, Nebraska)

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DALLAS	400 South Akard Street (Station K, Dallas 2, Texas)
El Paso Branch	301 East Main Street (P. O. Box 100, El Paso, Texas)
Houston Branch	1701 San Jacinto Street (P. O. Box 2578, Houston 1, Texas)
San Antonio Branch	210 West Nueva Street (P. O. Box 1471, San Antonio 6, Texas)
SAN FRANCISCO	400 Sansome Street (San Francisco 20, California)
Los Angeles Branch	409 West Olympic Boulevard (P. O. Box 2077, Los Angeles 54, California)
Portland Branch	915 S. W. Stark Street (P. O. Box 3456, Portland 8, Oregon)
Salt Lake City Branch	120 South State Street (P. O. Box 780, Salt Lake City 10, Utah)
Seattle Branch	1015 Second Avenue (P. O. Box 3567, Seattle 24, Washington)

THE FEDERAL RESERVE SYSTEM

BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



Legend

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
- ⊕ Board of Governors of the Federal Reserve System
- ⊙ Federal Reserve Bank Cities
- Federal Reserve Branch Cities

RULES REGARDING INFORMATION, SUBMITTALS, AND REQUESTS

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RULES REGARDING INFORMATION

RULES REGARDING INFORMATION, SUBMITTALS, AND REQUESTS *

(12 CFR PART 261)

As revised effective December 15, 1961

SECTION 261.1—PUBLISHED INFORMATION

(a) **Federal Register.**—As required by sections 3 and 4 of the Administrative Procedure Act (5 U.S.C. 1002, 1003), and subject to the exceptions therein stated, the Board publishes in the Federal Register (1) descriptions of its central and field organization; (2) general rules of procedure; (3) substantive rules, statements of general policy, and interpretations formulated and adopted for the guidance of the public; (4) final opinions and orders in the adjudication of certain types of cases; and (5) general notice of proposed rules or regulations. The Board also publishes in the Federal Register notice of receipt of applications pursuant to the Bank Holding Company Act of 1956 and notice of any formal hearing ordered by the Board.

(b) **Annual Report.**—The Board's Annual Report to Congress, made pursuant to section 10 of the Federal Reserve Act (12 U.S.C. 247), contains a full account of the Board's operations during the year, an economic review of the year, and, on occasion, recommendations to Congress. As required by law, the Annual Report includes (1) a complete record of the policy actions taken by the Board and the Federal Open Market Committee, showing the votes taken thereon and the reasons underlying such actions (12 U.S.C. 247a); (2) material pertaining to the administration of the Board's functions under the Bank Holding Company Act of 1956 (12 U.S.C. 1844); and (3) material pertaining to bank mergers approved by the Board under section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828).

(c) **Federal Reserve Bulletin.**—In the Federal Reserve Bulletin, which has been published monthly since 1915, the Board publishes a large volume of economic and statistical information; special articles on subjects of economic interest; regulations, statements of general policy, and interpretations of general interest to the public; notice of actions by the Board on certain types of applications, such as applications for membership in the Federal Reserve System; and orders and accompanying statements of the Board with respect to certain types of adjudications. Some material that appears in the Bulletin is released in advance during the month so that it will be more nearly current, examples being certain regulations, interpretations, orders

* The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 261; cited as 12 CFR Part 261.

and opinions, the monthly summary of business conditions, the Board's index of industrial production, and certain other statistical series.

(d) **Other Published Information.**—As required by section 11(a) of the Federal Reserve Act (12 U.S.C. 248(a)), the Board publishes a weekly statement of the condition of the Federal Reserve Banks. From time to time, the Board issues statements to the press regarding particular monetary and credit actions, actions with respect to certain types of applications, and other matters. In addition, it issues various publications, the more important of which are listed in the monthly Federal Reserve Bulletin.

SECTION 261.2—UNPUBLISHED INFORMATION

(a) **Definition.**—For purposes of this Part, “unpublished information of the Board” means all information which comes to the Board or any Federal Reserve Bank or to any officer, employee, or agent of the Board or any Federal Reserve Bank, in the performance of duties for or on behalf of the Board, which is not published in the Federal Register, the Board's Annual Report, the Federal Reserve Bulletin, or elsewhere. Such information includes any examination report or related information in connection with examinations made by examiners selected or approved by the Board. It also includes all information of the kind above described which may be contained in files, correspondence, memoranda, documents, reports, books, accounts, records, and other papers, whether located at the offices of the Board or of a Federal Reserve Bank, or elsewhere, or which may be acquired by any officer, employee, or agent of the Board or a Federal Reserve Bank in the performance of his duties.

(b) **General Rule as to Nondisclosure.**—Except as authorized by the Board, no officer, employee, or agent of the Board or any Federal Reserve Bank shall disclose or permit the disclosure of any unpublished information of the Board to anyone (other than an officer, employee, or agent of the Board or of a Federal Reserve Bank properly entitled to such information for the performance of his official duties), whether by giving out or furnishing such information or a copy thereof or by allowing any person to inspect, examine, or copy such information or copy thereof, or otherwise: *Provided*, That unpublished economic, statistical, or similar information and unpublished information regarding interpretations by the Board of statutory or regulatory provisions may be disclosed by any such officer, employee, or agent who has knowledge of the subject matter to any person who, in the judgment of such officer, employee, or agent, has a proper interest therein, *unless* such information (1) is scheduled for public release at a subsequent specified time, (2) relates to or discloses the

affairs of any identified person, or (3) is of any of the kinds described in paragraph (d) of this section.

(c) **Supervised Banks and Government Agencies.**—The Board, directly or through such persons as it may designate, (1) makes available to each State member bank a copy of the report of each examination of the bank; and (2) may make available to the Comptroller of the Currency, the Federal Deposit Insurance Corporation, certain other agencies of the United States, and any governmental authority having general supervision of a State bank, copies of reports of examination and other information, for use where necessary in the performance of their official duties: *Provided*, That all reports or other information made available pursuant to this paragraph shall remain the property of the Board and, except as otherwise provided in this Part, no person, agency, or authority to whom the information is made available, or any officer, director, or employee thereof, shall disclose any such information except in published statistical material that does not disclose the affairs of any individual or corporation.

(d) **Certain Unpublished Information Not Disclosed.**—Except as provided in paragraph (c) of this section or in other circumstances in which the Board deems such disclosure to be in the public interest, the Board, for the reasons and good cause found as set forth in paragraph (e) of this section, will not make available or otherwise disclose any unpublished information of the Board, whether or not a matter of official record within the meaning of the Administrative Procedure Act, if such information relates to any of the following:

(1) Examinations, investigations, inspections, or reports of any particular bank or affiliate thereof, holding company affiliate, bank holding company or subsidiary thereof, broker, finance company, or other person engaged, or proposing to engage, in the business of banking, extending credit, or managing or controlling banks; or information concerning the business, personal, or financial affairs of any such person or of anyone employed by or doing business with any such person.

(2) Proceedings in connection with consideration of (i) the removal of a director or officer pursuant to section 30 of the Banking Act of 1933 (12 U.S.C. 77), (ii) the termination of membership of a State bank in the Federal Reserve System pursuant to section 9 of the Federal Reserve Act (12 U.S.C. 327), (iii) the revocation of a voting permit granted to a holding company affiliate (12 U.S.C. 61), (iv) suspension from use of the credit facilities of the Federal Reserve System pursuant to section 4 of the Federal Reserve Act (12 U.S.C. 301), or (v) the granting, denial, or revocation of approval, permission, or authority in

cases in which no public hearing is held, except that the fact that the Board has granted approval, permission, or authority in such cases will be disclosed to any person having a proper interest therein upon request made in accordance with § 261.3(b) to the extent that such disclosure does not conflict with the principles stated in paragraph (e) of this section.

(3) The determination of policies concerning discount rates, reserve requirements, open market operations, interest rates, margin requirements, or other matters relating to monetary, fiscal, or credit policy.

(4) Relations between the Board and any Federal Reserve Bank; activities of any Reserve Bank on behalf of any agency of the United States or any international organization; and internal operations of the Board or any Reserve Bank, including, among other things, any matters of administration.

(5) Relations with, or activities that affect relations with, any foreign bank, banker, or country.

(6) Any other matter as to which the Board, in a particular case, determines that, in the public interest and for the reasons stated in paragraph (e) of this section, the information should not be disclosed.

(e) Reasons for Nondisclosure.—The public interest ordinarily requires that certain unpublished information, as enumerated above, be not disclosed. For the following good causes found, such nondisclosure is a manifest need in order that the Board may properly execute its statutory functions:

(1) The Board's investigating, examining, and information-gathering functions, and the appropriate safeguarding of information regarding such functions, are essential to the proper enforcement of the legislation it administers.

(2) In connection with its activities described in subparagraph (1) of this paragraph (e), its activities described in paragraph (d) (2) of this section, and its activities in the field of monetary, fiscal and credit policy, the Board necessarily has much information that is confidential or that relates solely to the internal management of the Board or of other Government agencies. This includes advice and other information received by the Board from its staff, other Government agencies, the Federal Reserve Banks, and others. It also includes information concerning the business, personal, and financial affairs of individual banks and their holding company and other affiliates, bank holding companies and their subsidiaries, brokers, finance companies, and other extenders

of credit, and persons employed or doing business with them. Improper disclosure of such information would:

(i) Permit speculators and others to interfere with the Board's actions taken with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country;

(ii) Permit speculators and others to reap unfair profits and other unfair advantages by speculative trading in securities and otherwise;

(iii) Unreasonably and unnecessarily disturb and interfere with individual privacy and confidential business relations;

(iv) Interfere with the orderly execution and accomplishment of the objectives of policies adopted by other Government agencies concerned with economic and fiscal matters;

(v) Impede the Board's necessary collection of information and advice, much of which cannot be obtained except on a confidential and voluntary basis; and

(vi) Cause misinterpretations and misunderstandings as to the Board's policies and purposes, and as to the status of particular financial institutions, with resulting disturbance of securities markets and impairment of public confidence in individual institutions or in the nation's financial structure.

(3) Relations of the Board, of the Federal Reserve Banks, or of other banks, with foreign banks, bankers, or countries involve matters of foreign affairs. Other activities of the Board and of the Reserve Banks influence the flow of gold and of dollar balances to or from foreign countries, with vital effects upon such countries and the United States. Improper disclosures regarding such matters would interfere with the orderly conduct of the foreign affairs of the United States.

(4) Disclosure of unpublished information regarding personnel or other matters of the Board's internal administration could be of no proper benefit to other persons and would needlessly interfere with the privacy of the Board's personnel, with the performance of their duties for the Board, and with the Board's necessary functions.

(5) The Federal Reserve Banks, in addition to their other functions, act in many matters as the Board's field representatives and give the Board advice and assistance on both local and national problems. The Reserve Banks also perform certain functions for various agencies of the United States and certain international organizations. Disclosure of information regarding the Board's

supervision and regulation of the Reserve Banks, its relations with them, or their activities for agencies of the United States or for international organizations, would damage the public interest in the manner described in subparagraphs (1) through (3) of this paragraph (e).

SECTION 261.3—OBTAINING INFORMATION

(a) **Published Information.**—Anyone may subscribe to the Federal Reserve Bulletin at the standard rate, which is published in the Bulletin. A copy of each issue of the Bulletin is sent to each member bank. Current or back issues of the Bulletin, Annual Reports, rules, regulations, or other published information may be examined at the offices of the Board or any Federal Reserve Bank, and copies, if in stock, will be supplied by the Board at prescribed charges or at no cost.

(b) **Unpublished Information.**—Requests for access to unpublished information of the Board should be sent in the first instance to the appropriate Federal Reserve Bank, which will forward them to the Board when necessary. Any such request shall be signed by the person making it or his duly authorized agent and shall, in so far as practicable, clearly, completely, and concisely state the full name and address of the person making the request, the facts involved, the purposes for which any unpublished information requested will be used if made available, the nature of such person's interest in the matter, and the reasons for which such request should be granted.

SECTION 261.4—APPLICATIONS, REQUESTS, AND SUBMITTALS

All applications, requests, and submittals should be submitted in the manner prescribed in the Board's Rules of Procedure as contained in § 262.2(b) of this Chapter.

SECTION 261.5—SUBPOENAS

(a) **Advice by Person Served.**—If any person, whether or not an officer or employee of the Board or of a Federal Reserve Bank, has unpublished information of the Board and in connection therewith is served with a subpoena, order, or other process requiring his personal attendance as a witness or the production of documents or information in any proceeding, he shall promptly advise the Board of such service and of all relevant facts, including the documents and information requested and any facts which may be of assistance to the Board in determining whether such documents or information should be made available; and he shall take action at the appropriate time to advise

the court or tribunal which issued the process and the attorney for the party at whose instance the process was issued, if known, of the substance of these rules.

(b) **Appearance by Person Served.**—Except as the Board has authorized disclosure of the relevant information, or except as provided in 18 U.S.C. 1906, any person who has unpublished information of the Board and is required to respond to a subpoena or other legal process shall attend at the time and place therein mentioned and respectfully decline to produce any documents or disclose any information or give any testimony with respect thereto, basing his refusal upon these rules. If, notwithstanding, the court or other body orders the production of any documents, disclosure of any information, or giving of any testimony, the person having such unpublished information of the Board shall promptly report the facts to the Board for such action as the Board may deem appropriate.

RULES OF PROCEDURE

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RULES OF PROCEDURE

RULES OF PROCEDURE *

(12 CFR Part 262)

As revised effective December 15, 1961

and

As amended effective January 12, 1962

SECTION 262.1—PROCEDURE FOR REGULATIONS

(a) **Notice.**—Notice of proposed regulations of the Board or amendments thereto will be published in the Federal Register, except as specified in paragraph (e) of this section or otherwise excepted by law. Such notice will include a statement of the terms of the proposed regulation or amendment and a description of the subjects and issues involved; but the giving of such notice does not indicate Board approval of any feature of any such proposal. The notice will also include a reference to the authority for the proposed regulation or amendment and a statement of the time, place and nature of public participation.

(b) **Public Participation.**—The usual method of public submission of data, views or arguments shall be in writing. Although submittals or requests may be sent directly to the Board, it is preferable that they be sent to the appropriate Federal Reserve Bank, which will forward them to the Board. The locations of the 12 Federal Reserve Banks and the boundaries of the Federal Reserve districts are shown in Appendix A to the Board's Rules of Organization.

(c) **Preparation of Draft and Action by Board.**—In the light of consideration of all relevant matter presented or ascertained, the Legal Division, in collaboration with other Divisions of the Board's staff, will prepare drafts of proposed regulations or amendments, and the staff will submit them to the Board. The Board will take such action as it deems appropriate in the public interest. Any other documents that may be necessary to carry out any decision by the Board in the matter will be prepared by the Legal Division, in collaboration with the other Divisions of the staff.

(d) **Effective Dates.**—Any regulation or amendment thereto issued by the Board will be published not less than thirty days prior to the effective date thereof, except as specified in paragraph (e) of this section or as otherwise excepted by law.

(e) **Exceptions as to Notice or Effective Date.**—In certain situations, notice and public participation with respect to proposed regulations may be impracticable, unnecessary, contrary to the public interest, or otherwise not required in the public interest, or there may be reason and good cause in the public interest why the effective date

* The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 262; cited as 12 CFR Part 262.

should not be deferred for 30 days. The reason or reasons in such cases usually are that such notice, public participation, or deferment of effective date would prevent the action from becoming effective as promptly as necessary in the public interest, would permit speculators or others to reap unfair profits or to interfere with the Board's actions taken with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country, would provoke other consequences contrary to the public interest, would unreasonably interfere with the Board's necessary functions with respect to management or personnel, would not aid the persons affected, or would otherwise serve no useful purpose. The following may be mentioned as some examples of situations in which advance notice or deferred effective date, or both, will ordinarily be omitted in the public interest: The review and determination of discount rates established by Federal Reserve Banks, and changes in general requirements regarding reserves of member banks, maximum interest rates on time and savings deposits, or credit for purchasing or carrying securities.

SECTION 262.2—APPLICATIONS AND REQUESTS

(a) **Form.**—Any application for the approval, authority, or permission of the Board or for any action for which such approval, authority, or permission is required by law or regulation of the Board shall be submitted in accordance with the pertinent form listed in § 262.5. Copies of any such form and details regarding information to be included therein may be obtained from any Federal Reserve Bank. Any application or request for which no form is listed in § 262.5 should be signed by the person making the application or request or by his duly authorized agent, should state the facts involved, the action requested, and the applicant's interest in the matter, and should indicate the reasons why the application or request should be granted. Requests for unpublished information of the Board should be submitted as provided in § 261.3(b) of this Chapter.

(b) **Procedure.**—Any applications or request should be sent to the Federal Reserve Bank of the district in which the person making the application or request is located, and that Bank will forward it to the Board when necessary. When appropriate, the Reserve Bank will make an investigation and report the relevant facts, with its recommendation, to the Board. The locations of the 12 Federal Reserve Banks and the boundaries of the Federal Reserve districts are shown in Appendix A to the Board's Rules of Organization.

(c) **Comments by Staff.**—In the light of consideration of all

relevant matter presented or ascertained, the appropriate divisions of the Board's staff will prepare and submit to the Board comments on the subject. The Board in due course will take such action as it deems appropriate in the public interest. Such documents as may be necessary to carry out any decision by the Board are prepared by the Board's staff.

(d) **Notice of Granting or Denial.**—Prompt notice will be given to the applicant of the granting or denial in whole or in part of any written application or request. In the case of denial, except in affirming a prior denial or where the denial is self-explanatory, such notice will be accompanied by a simple statement of procedural or other grounds.

(e) **Action at Board's Initiative.**—When the Board, without receiving an application or request, takes action with respect to any matter as to which opportunity for hearing is not required by statute or Board regulation, similar procedure will be followed, including investigations, reports, and recommendations by the Board's staff and by the Reserve Banks, where appropriate.

(f) **Bank Holding Company and Merger Applications.**—In addition to procedures applicable under other provisions of this Part, the following procedures are applicable in connection with the Board's consideration of applications under section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842), hereafter called holding company applications, and of applications under section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828), hereafter called merger applications. Unless otherwise indicated, these procedures apply to both types of applications.

(1) The Board issues each week a list that identifies holding company and merger applications received during the preceding week. Notice of receipt of each holding company application is published in the Federal Register as provided in § 222.4(e) (2) of this Chapter [Regulation Y].

(2) If a hearing is required by law or if the Board determines that a hearing for the purpose of taking evidence is desirable, the Board issues an order for such a hearing, and notice thereof is published in the Federal Register. Any such hearing is conducted by a hearing examiner or hearing officer in accordance with the Board's Rules of Practice for Formal Hearings (Part 263 of this Chapter) and, unless otherwise ordered by the Board, is public.

(3) In any case in which a formal hearing is not ordered by the Board, the Board may afford the applicant and other properly interested persons (including Governmental agencies) an opportunity to present views orally before the Board or its designated representative. Unless otherwise ordered by the

Board, any such oral presentation of views is public and notice of such public proceeding is published in the Federal Register. Participants in any oral presentation of views are allowed reasonable periods of time for presentation of their views.

(4) The Board's action on each application is embodied in an Order that indicates the voting of members of the Board and is accompanied by a Statement of the reasons for the Board's action. Both the Order and accompanying Statement are released to the press. Normally, the Statement is issued at the time of issuance of the Order; where this is not practicable, the Statement is issued as promptly as possible after issuance of the Order. Each such Order is published in the Federal Register; and the Order and Statement are published in the next succeeding issue of the Federal Reserve Bulletin.

(5) Each Order of the Board approving an application includes, as a condition of such approval, a requirement that the transaction approved shall not be consummated within seven calendar days following the date of such Order, except in emergency or other situations as to which the Board determines that such a requirement would not be in the public interest. Each Order approving an application also includes, as a condition of approval, a requirement that the transaction approved shall be consummated within three months and, in the case of acquisition by a holding company of stock of a newly organized bank, a requirement that such bank shall be opened for business within six months.

(6) After action by the Board on an application, the Board will not grant any request for reconsideration of its action, unless the request presents relevant facts that, for good cause shown, were not previously presented to the Board, or unless it otherwise appears to the Board that reconsideration would be appropriate.

(7) In any case in which the Board orders a public hearing or a public oral presentation of views, as soon as practicable following publication in the Federal Register of notice of such public proceeding, the application shall be available for inspection by the public except such portions thereof as to which the Board finds that disclosure would not be in the public interest.

SECTION 262.3—ADJUDICATION WITH FORMAL HEARING

In connection with adjudication with respect to which a hearing is required by law or is ordered by the Board, the procedure shall be as set forth in Part 263 of this Chapter, entitled "Rules of Practice for Formal Hearings." Among such adjudications are those relating to:

Termination of a bank's membership in the Federal Reserve System, removal of a bank official under section 30 of the Banking Act of 1933, revocation of a voting permit of a holding company affiliate, suspension of a member bank from the use of the credit facilities of the Federal Reserve System pursuant to section 4 of the Federal Reserve Act, issuance of a cease and desist order under section 11 of the Clayton Act, and, in certain situations, actions with respect to applications pursuant to the Bank Holding Company Act of 1956.

SECTION 262.4—APPEARANCE AND PRACTICE

Appearance and practice before the Board in all matters shall be governed by § 263.1 of this Chapter.

SECTION 262.5—FORMS

The following forms, which are available at the Federal Reserve Banks, shall be used for the purposes indicated:

Form

- 30 Application for Federal Reserve Bank Stock—Organizing National Bank
- 30a Application for Federal Reserve Bank Stock—Nonmember State Bank Converting into National Bank
- 56 Application for Adjustment in Holdings of Federal Reserve Bank Stock (Except by Mutual Savings Banks)
- 56a Application of Mutual Savings Bank for Adjustment in Holdings of Federal Reserve Bank Stock
- 61 Application of National Bank for Trust Powers
- 61b Supplementary Application of National Bank for Additional Trust Powers
- 70 Application for Prior Written Consent to Effect a Merger or Other Transaction Pursuant to Section 18(c) of the Federal Deposit Insurance Act (Resulting Bank to be a State Member Bank)
- 83 Application for Membership in the Federal Reserve System (Cover Sheet)
- 83A Application for Membership in the Federal Reserve System (State Banks except Mutual Savings Banks)
- 83B Application for Membership in the Federal Reserve System (Mutual Savings Banks Authorized to Purchase Stock in Federal Reserve Bank)
- 83C Application for Membership in the Federal Reserve System (Mutual Savings Banks *Not* Permitted to Subscribe for Stock in Federal Reserve Bank)

Form

- 83D Application for Stock in the Federal Reserve Bank (Mutual Savings Bank Admitted to Membership upon Deposit of Appropriate Amount with Federal Reserve Bank and Now Permitted to Subscribe for Federal Reserve Bank Stock under Laws under Which Organized)
- 83E Certificate of Directors and Cashier
- 86 Application for Cancellation of Federal Reserve Bank Stock—Liquidating Member Bank
- 87 Application for Cancellation of Federal Reserve Bank Stock—Insolvent Member Bank
- 105 Report of Condition of State Member Bank
- 105e (Form 105e-1)—Report of Condition of State Member Bank (Publisher's Copy)
- 107 Report of Earnings and Dividends of State Member Bank (Calendar Year)
- 107b Report of Earnings and Dividends of State Member Bank (6-Month Period)
- 150 Application for Approval of Reservation of Title of a Corporation Proposed to be Organized under the Terms of Section 25(a) of the Federal Reserve Act
- 151 Articles of Association—Banking Corporations Authorized to Do Foreign Banking Business under Section 25(a) of the Federal Reserve Act.
- 152 Organization Certificate—Banking Corporation Authorized to Do Foreign Banking Business under Section 25(a) of the Federal Reserve Act
- 220 Report of an Affiliate or Holding Company Affiliate of a Member Bank
- 220a Report of an Affiliate or Holding Company Affiliate of a Member Bank (Publisher's Copy)
- 240 Report of Member Firm of a National Securities Exchange
- 314 Report of Condition by Foreign Banking Corporation (Semi-annual)
- 414 Computation of Reserve to be Carried with Federal Reserve Bank by Member Bank
- 728 Report of Securities Credit Extended by Lender Other than a Bank or Broker
- P-1 Application for a Voting Permit under Section 5144, Revised Statutes (Holding Company Affiliate)
- P-2 Exhibit C—Resolution of Board of Directors or Other Governing Body of Applicant
- P-3 Exhibit L—Agreement to Permit Examinations

Form

- P-4 Exhibit N—Authorization to Furnish Information
- P-5 Exhibit P—Agreement by Holding Company Affiliate of State Member Bank to Accept Provisions of Section 5144, Revised Statutes
- P-6 Exhibit Q—Agreement by Holding Company Affiliate (of State Bank Applying for Membership in Federal Reserve System) to Accept Provisions of Section 5144, Revised Statutes
- T-1 Agreement, Resolution, Certificate—to Qualify under Section 8(a) of the Securities Exchange Act of 1934
- T-2 Agreement, Resolution, Certificate—to Qualify under Section 8(a) of the Securities Exchange Act of 1934 (Bank with Principal Place of Business outside 50 States of United States)
- Y-2 Application for Prior approval of acquisition of Bank Shares Pursuant to Section 3(a) (2) of the Bank Holding Company Act of 1956
- Y-2A Certificate of Directors or Other Governing Body Authorizing Application Pursuant to Section 3(a) (2) of the Bank Holding Company Act of 1956
- Y-5 Registration Statement of Bank Holding Company Pursuant to Section 5(a) of the Bank Holding Company Act of 1956
- Y-6 Annual Report of Bank Holding Company Pursuant to the Bank Holding Company Act of 1956

RULES OF PRACTICE FOR FORMAL HEARINGS

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RULES OF PRACTICE

RULES OF PRACTICE FOR FORMAL HEARINGS *

(12 CFR Part 263)

As revised effective December 15, 1961

SECTION 263.1—APPEARANCE AND PRACTICE BEFORE THE BOARD

(a) No register of attorneys or agents who may practice before the Board is maintained and no application for admission to such practice is required. Any person desiring to appear before or transact business with the Board in a representative capacity shall make known to the Secretary of the Board in writing the capacity in which he proposes to appear. He may be required to file a power of attorney with the Board evidencing his authority to act in such capacity and to show to the satisfaction of the Board that he is properly qualified.

(b) Any person appearing before or transacting business with the Board in a representative capacity, or desiring so to act, may, for cause sufficient in the judgment of the Board, be suspended or disbarred from so doing.

(c) Contemptuous conduct at any hearing before the Board, any member thereof, or a hearing examiner, by any person, including a person appearing in a representative capacity, shall be ground for exclusion from any such hearing or for such further period as the Board may prescribe.

SECTION 263.2—HEARINGS FOR THE PURPOSE OF TAKING EVIDENCE

(a) Hearings for the purpose of taking evidence shall be held as ordered by the Board and any such hearing will ordinarily be held before and conducted by a duly designated hearing examiner. However, the Board may, in its discretion, order such hearings to be held before the Board, one or more of its members, or, where permitted by law, a duly designated hearing officer; and hearings so held shall be subject to the same procedure as that applicable to hearings before a hearing examiner, except that the Board and members thereof are not subject under the law to the requirements regarding separation of functions prescribed by section 5(c) of the Administrative Procedure Act (5 U.S.C. 1004(c)), and, with respect to hearings held before the Board or one or more of its members, the hearing examiner's report referred to in § 263.6 and the related exceptions and briefs referred to in § 263.7 will be omitted.

(b) Whenever a hearing is ordered by the Board, notice of such hearing shall be given to the party or parties to the proceeding by

* The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 263; cited as 12 CFR Part 263.

the Secretary of the Board or such other person as the Board may designate for the purpose. Such notice shall be given by serving a copy of the Order for Hearing in accordance with § 263.12 a reasonable time in advance of the hearing. Unless otherwise ordered by the Board, notice of any hearing shall be given general circulation by publication in the Federal Register and, where practical, by release to the public press. In any proceeding, the Board may make amendments to the Order for Hearing.

(c) All such hearings shall be private and shall be attended only by parties and their representatives or counsel, representatives of the Board, witnesses, and other persons having an official interest in the proceedings: *Provided, however*, That, on written request by a party or representatives of the Board, or on the Board's own motion, the Board, unless prohibited by law, may permit other persons to attend or may order the hearing to be public. In connection with any such hearing or proceeding related thereto, the Board may designate as Board counsel an attorney from its staff or other attorney who shall represent the Board. For the purposes of these Rules, any attorney so designated is referred to as "Board counsel." In case of adjudication other than initial licensing proceedings, neither Board counsel nor any officer or employee of the Board who has engaged in the performance of any investigative or prosecuting function in the case, or a factually related case, may participate in or advise as to the hearing examiner's recommended decision or the Board's decision, except as witness or counsel in such hearing or related proceeding. Proceedings with respect to applications for initial licenses shall include, but not be limited to, applications for Board approval under the Bank Holding Company Act of 1956. In such proceedings, Board counsel shall represent the Board in a nonadversary capacity for the purpose of developing for the record information relevant to the issues to be determined by the hearing examiner and the Board.

(d) All such hearings shall be stenographically reported and a transcript thereof shall be made which shall be a part of the record of the proceeding. Transcripts will be supplied at prescribed rates to a party to the proceeding or to any person applying therefor if the Board has ordered the hearing to be public.

(e) A hearing examiner may at any time withdraw if he deems himself disqualified; and, upon filing of a timely and sufficient affidavit of personal bias or disqualification of the hearing examiner, the Board will determine the matter as a part of the record and decision in the case.

(f) Except as permitted by the Administrative Procedure Act, the hearing examiner shall not consult any person or party on any fact

in issue except after notice and opportunity for all parties to participate, nor shall he be responsible to or subject to the supervision or direction of any officer, employee, or agent of the Board engaged in the performance of investigative or prosecuting functions.

(g) The hearing examiner shall regulate the course of the hearing and in connection therewith shall have authority to conduct prehearing conferences, administer oaths and affirmations, rule upon offers of proof and receive relevant evidence, rule on motions, dispose of procedural requests or similar matters, hold conferences for the settlement and simplification of the issues by consent of the parties, certify any question to the Board (at his discretion or at the Board's discretion) for its consideration and disposition, and take other action consistent with applicable rules or regulations of the Board, the Administrative Procedure Act, and other requirements of law.

(h) Any oral or documentary evidence may be received, except that irrelevant, immaterial, or unduly repetitious evidence may be excluded by the hearing examiner. Unless otherwise permitted by the hearing examiner, written exhibits will not be received in evidence unless offered in duplicate. A copy of each exhibit offered must be furnished to each of the parties at the hearing or at such other time as the hearing examiner may fix for the exchange of exhibits.

(i) Objections to the admission or exclusion of evidence shall be in short form, stating the grounds of objections relied upon; and the transcript shall not include argument or debate thereon except as ordered by the Board or the hearing examiner. Rulings on such objections shall be a part of the transcript except as the Board may otherwise require with respect to a particular ruling. No exception to any such ruling need be noted before the hearing examiner in order to urge the same in the consideration of the matter by the Board.

(j) The Board or the hearing examiner may call for the production of further evidence upon any issue, and, upon appropriate notice, the hearing examiner may reopen any hearing at any time prior to his report or the Board may reopen any hearing at any time prior to entry of its order disposing of the matter.

(k) Subpoenas, when authorized by law,¹ requiring the attendance of witnesses or requiring the production of documentary evidence will be issued only by the Board, or such person as the Board may designate for this purpose. Application may be made either to the Secretary of the Board or to the person so designated by the Board. Such application shall be in writing and shall state, as definitely as

¹ The Board is presently authorized by law to issue subpoenas only in connection with investigations instituted pursuant to paragraph 7, sec. 25 of the Federal Reserve Act (12 U.S.C. 603).

practicable, the reasonable scope of the evidence sought (reasonably identifying any document desired) and the facts to be proved thereby, in sufficient detail to indicate the materiality and relevance thereof.

(l) Witnesses summoned by the Board at the request of a party or of Board counsel will be paid the same fees and mileage that are paid to witnesses in the courts of the United States. Such payments shall be made by the party at whose instance the witnesses appear.

SECTION 263.3—CONTINUANCES, CHANGES, EXTENSIONS OF TIME

Except as otherwise expressly provided by law, the Board may by the Order for Hearing or otherwise provide time limits different from those specified in these Rules, may on its own motion or for cause shown change or extend any time limits prescribed by these Rules or an Order for Hearing, and may continue or adjourn any hearing. Each hearing shall begin at the time and place ordered by the Board, except that, where a hearing examiner has been designated to conduct a hearing, the time and place for beginning such hearing may, for good cause shown, be changed by the hearing examiner. Thereafter, the hearing may be successively adjourned to such time and place as may be ordered by the Board or by the hearing examiner.

SECTION 263.4—CLOSING OF HEARING: FILING OF TRANSCRIPT

(a) The record of the hearing shall be closed by announcement to that effect by the hearing examiner when the taking of evidence has been concluded. In the discretion of the hearing examiner, the record may be closed as of a future specified date in order to permit the admission into the record, under circumstances determined by the hearing examiner, of exhibits to be prepared.

(b) After the close of the hearing, the transcript thereof shall be filed forthwith by the hearing examiner with the Secretary of the Board. Notice of such filing shall be given by the Secretary to all parties to the proceeding.

SECTION 263.5—PROPOSED FINDINGS AND CONCLUSIONS OF LAW

Within 15 days after the date of notice of filing of the transcript with the Secretary of the Board, or within such reasonable time thereafter as may be allowed by the hearing examiner, any party or Board counsel may submit to the hearing examiner proposed findings and conclusions of law, with supporting briefs or memoranda of law. In lieu of proposed findings and conclusions of law, and within such time as the hearing examiner shall allow, Board counsel may submit comments in respect to the evidence of record or proposed findings and conclusions of law submitted by any party. Copies of any such pro-

posed findings, conclusions, briefs, memoranda of law, statements, or comments shall be furnished to other parties and to Board counsel as promptly as practicable. All such proposed findings, conclusions, or other such submissions shall be a part of the record.

SECTION 263.6—HEARING EXAMINER'S REPORT AND RECOMMENDED DECISION

(a) Following the expiration of the time allowed for filing proposed findings and conclusions or comments of Board counsel, the hearing examiner shall prepare and file with the Secretary of the Board his report and recommended decision. Such report and recommended decision shall contain findings and conclusions, with the reasons or basis therefor, upon all material issues of fact or law.

(b) The hearing examiner's report and recommended decision shall be forthwith served on all parties and on Board counsel by the Secretary of the Board or such other person as the Board may designate for the purpose.

(c) The report and recommended decision of the hearing examiner shall become a part of the record.

SECTION 263.7—EXCEPTIONS

(a) Within 15 days after date of service of the hearing examiner's report and recommended decision, any party or Board counsel may file exceptions thereto, to his failure to follow a proposed finding or conclusion, to the admission or exclusion of evidence, or to a ruling of the hearing examiner; and within such period he may file a brief in support of his exceptions. Within 5 days following the date of service of such exceptions and briefs, any party or Board counsel may file a brief in opposition. A copy of such exceptions and briefs shall be forthwith served on each party and on Board counsel. Exceptions shall be argued orally only as allowed by the Board.

(b) Objections to the recommended decision of the hearing examiner or to his failure to follow a proposed finding or conclusion not saved by exception filed pursuant to this section will be deemed to have been abandoned and may be disregarded. Exceptions not briefed in accordance with this section and § 263.9 may be regarded by the Board as waived.

SECTION 263.8—MOTIONS

(a) All motions made subsequent to the designation of a hearing examiner and before the filing with the Board of the hearing examiner's report and recommended decision shall be addressed to and ruled upon by the hearing examiner and may be stated orally upon the record unless otherwise directed by the Board or hearing examiner. At all

other times motions shall be addressed to the Board in written form and filed with the Board in accordance with the requirements of § 263.11. Written motions shall state with particularity the order or relief sought and the grounds therefor.

(b) Within 10 days after service of any written motion, or within such other period of time as may be fixed by the Board or hearing examiner, any party or Board counsel may file a written answer or objection to such motion. The moving party shall have no right to reply, except as permitted by the Board or the hearing examiner.

(c) No oral argument will be heard on motions except as otherwise directed by the Board or hearing examiner. Written memoranda or briefs may be filed with motions or objections or answers to motions, stating the points and authorities relied upon in support of the position taken.

(d) The hearing examiner shall pass upon all motions properly addressed to him and upon such other motions as the Board may direct, except that, if the hearing examiner finds that a prompt decision by the board on a motion is essential to the proper conduct of the proceeding, he may refer such motion to the Board for decision. The Board shall pass upon all motions properly submitted to it for decision.

(e) All motions and answers or objections thereto and rulings thereon shall become part of the record. Rulings of a hearing examiner on any motion may not be appealed to the Board prior to its consideration of the hearing examiner's report and recommended decision except by special permission of the Board, but they shall be considered by the Board in reviewing the record. Requests to the Board for special permission to appeal from such rulings of the hearing examiner shall be filed promptly, in writing, and shall briefly state the grounds relied on. The moving party shall immediately serve a copy thereof on each party.

(f) Unless otherwise ordered by the Board, or the hearing examiner, the hearing shall continue pending the determination of the motion by the Board.

SECTION 263.9—BRIEFS

(a) All briefs shall be confined to the particular matters in issue. Each exception or proposed finding or conclusion which is briefed shall be supported by a concise argument and by citation of such statutes, decisions, and other authorities, and by page references to such portions of the record, as may be relevant. If the exception relates to the admission or exclusion of evidence, the substance of the evidence admitted or excluded shall be set forth in the brief with appropriate references to the transcript.

(b) Except as provided in § 263.7, within 10 days after service of an original brief, any party or board counsel may file a reply brief, which shall be confined to matters in the original brief of the opposing party. Copies of any brief or reply brief shall be filed, and service thereof made, in the manner prescribed in § 263.12.

(c) Briefs not filed on or before the time fixed in these Rules, or such other time as may be fixed by the hearing examiner, will be received only upon special permission of the Board.

SECTION 263.10—ORAL ARGUMENT

Upon written request of any party or of Board counsel made within the period of time allowed in § 263.7 for the filing of exceptions and briefs, or on its own initiative, the Board may, in its discretion, allow oral argument before the Board or one or more members thereof. Oral argument shall be limited to a party or his representative and Board counsel, unless otherwise permitted by the Board.

SECTION 263.11—FILING PAPERS, DOCKET, COMPUTATION OF TIME

(a) All reports, exceptions, motions, briefs, and other papers required to be filed with the Board in any proceeding shall be filed with the Secretary of the Board. The Order for Hearing may provide for the number of copies of papers to be filed. Any such papers may be sent to the Secretary by mail or express but must be received by him in the office of the Board in Washington, D. C., within the time limit, if any, for such filing.

(b) Unless and until otherwise ordered by the Board, the Order for Hearing, the transcript of record, proposed findings or conclusions and briefs in support thereof, the report of the hearing examiner, exceptions thereto, and briefs in support of or in opposition to such exceptions, and other papers which are filed in connection with any hearing shall not be made public, and shall be for the confidential use only of the Board, appropriate members of the Board's staff, parties, and counsel.

(c) The Secretary shall maintain a docket in connection with each hearing.

(d) In computing any period of time prescribed or allowed by these Rules or by order of the Board, the day of the act, event, or default after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, Sunday, or a legal holiday in the District of Columbia, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or holiday in the District of

Columbia. Intermediate Saturdays, Sundays, and holidays shall be included in the computation. A half-holiday shall be considered as other days and not as a holiday.

SECTION 263.12—SERVICE OF PAPERS

(a) The Board will serve all orders, notices, reports, and other papers issued by it when service thereof is required, and reports filed pursuant to § 263.6. Every other paper requiring service, including motions, proposed findings and conclusions, exceptions and briefs, shall be served on any party to a proceeding by the party filing the same.

(b) Service shall be made by personal service on the party or his attorney of record, by registered mail addressed to the party or his attorney of record, or by other appropriate means specified by the Board. Service by registered mail shall be deemed to be made as of the date of receipt by the person addressed.

SECTION 263.13—FORMAL REQUIREMENTS AS TO PAPERS FILED

(a) All papers filed under these Rules shall be typewritten, mimeographed, or printed.

(b) All papers shall be signed by the party filing the same, or his duly authorized agent or attorney, or Board counsel and, except in the case of Board counsel, must show the address of the signer.

(c) All papers filed shall include at the head thereof, or on a title page, the name of the Board, the names of the parties, and the subject of the particular paper or pleading.

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5152]
[February 14, 1962]

OFFERING OF TWO SERIES OF TREASURY BILLS

**\$1,200,000,000 of 90-Day Bills, Additional Amount, Series Dated November 24, 1961, Due May 24, 1962
(To Be Issued February 23, 1962)**

\$600,000,000 of 181-Day Bills, Dated February 23, 1962, Due August 23, 1962

To All Incorporated Banks and Trust Companies, and Others
Concerned, in the Second Federal Reserve District:

Following is the text of a notice issued by the Treasury Department, released for publication today at 4 p.m., Eastern Standard time:

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$1,800,000,000, or thereabouts, for cash and in exchange for Treasury bills maturing February 23, 1962, in the amount of \$1,700,583,000, as follows:

90-day bills (to maturity date) to be issued February 23, 1962, in the amount of \$1,200,000,000, or thereabouts, representing an additional amount of bills dated November 24, 1961, and to mature May 24, 1962, originally issued in the amount of \$600,696,000, the additional and original bills to be freely interchangeable.

181-day bills, for \$600,000,000, or thereabouts, to be dated February 23, 1962, and to mature August 23, 1962.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$50,000, \$100,000, \$500,000 and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, one-thirty p.m., Eastern Standard time, Monday, February 19, 1962. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.


Banking institutions generally may submit tenders for account of customers, provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those sub-

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Standard time, Monday, February 19, 1962, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate forms to submit tenders and return them in an envelope marked "Tender for Treasury Bills." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. *Payment for the Treasury bills cannot be made by credit through the Treasury Tax and Loan Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.*

Results of the last offering of Treasury bills (91-day bills to be issued February 15, 1962, representing an additional amount of bills dated November 16, 1961, and maturing May 17, 1962; and 182-day bills dated February 15, 1962, maturing August 16, 1962) are shown on the reverse side of this circular.

ALFRED HAYES,
President.

 Please note that the current offering is for 90-day and 181-day Treasury bills.

(OVER)

RESULTS OF LAST OFFERING OF TREASURY BILLS (TWO SERIES TO BE ISSUED)
FEBRUARY 15, 1962)

Range of Accepted Competitive Bids

	<i>91-Day Treasury Bills Maturing May 17, 1962</i>		<i>182-Day Treasury Bills Maturing August 16, 1962</i>	
	<u>Price</u>	<u>Approx. equiv. annual rate</u>	<u>Price</u>	<u>Approx. equiv. annual rate</u>
High	99.317	2.702%	98.519 ^a	2.929%
Low	99.298	2.777%	98.500	2.967%
Average	99.303	2.759% ¹	98.508	2.952% ¹

^a Excepting two tenders totaling \$900,000.

¹ On a coupon issue of the same length and for the same amount invested, the return on these bills would provide yields of 2.82 percent for the 91-day bills, and 3.04 percent for the 182-day bills. Interest rates on bills are quoted in terms of bank discount, with the return related to the face amount of the bills payable at maturity rather than the amount invested, and their length in actual number of days related to a 360-day year. In contrast, yields on certificates, notes, and bonds are computed in terms of interest on the amount invested, and relate the number of days remaining in an interest payment period to the actual number of days in the period, with semiannual compounding if more than one coupon period is involved.

(80 percent of the amount of 91-day bills bid for at the low price was accepted.)

(15 percent of the amount of 182-day bills bid for at the low price was accepted.)

Total Tenders Applied for and Accepted (By Federal Reserve Districts)

<u>District</u>	<i>91-Day Treasury Bills Maturing May 17, 1962</i>		<i>182-Day Treasury Bills Maturing August 16, 1962</i>	
	<u>Applied for</u>	<u>Accepted</u>	<u>Applied for</u>	<u>Accepted</u>
Boston	\$ 22,138,000	\$ 22,038,000	\$ 13,027,000	\$ 9,327,000
New York	1,524,495,000	793,675,000	956,280,000	443,280,000
Philadelphia	27,250,000	12,250,000	13,893,000	8,893,000
Cleveland	33,041,000	32,741,000	15,290,000	15,290,000
Richmond	11,936,000	11,936,000	1,440,000	1,440,000
Atlanta	23,331,000	23,031,000	8,835,000	8,835,000
Chicago	201,524,000	152,924,000	99,020,000	42,320,000
St. Louis	28,013,000	22,013,000	8,494,000	7,069,000
Minneapolis	21,693,000	19,593,000	5,748,000	4,748,000
Kansas City	48,829,000	34,829,000	7,324,000	7,324,000
Dallas	24,883,000	23,683,000	8,890,000	6,890,000
San Francisco	62,528,000	51,628,000	56,524,000	44,824,000
Total	\$2,029,661,000	\$1,200,341,000 ^b	\$1,194,765,000	\$600,240,000 ^c

^b Includes \$214,966,000 noncompetitive tenders accepted at the average price of 99.303.

^c Includes \$48,639,000 noncompetitive tenders accepted at the average price of 98.508.