

FEDERAL RESERVE BANK OF RICHMOND

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February 3, 1981

Dear Bob:

I appreciate the report on Richmond District bankers and reserve avoidance. They even sound like Southern gentlemen.

Sincerely,

Mr. Robert P. Black
President
Federal Reserve Bank of Richmond
Richmond, Virginia 23261

PAV:ccm

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Citation Information

Document Type: Correspondence

Number of Pages Removed: 6

Citations:

Letter to Paul Volcker from Robert P. Black, January 30, 1981.

Letter to Paul Volcker from Robert P. Black, September 25, 1980.

Letter to Paul Volcker from Robert P. Black, October 17, 1980.

Letter to Paul Volcker from Robert P. Black, April 25, 1980.

Strictly Confidential (FR): Class I FOMC - Letter to Paul Volcker from Robert P. Black, February 15, 1980.

Memo to Paul Volcker from Robert P. Black, October 25, 1979.



THE PLANTERS NATIONAL BANK and TRUST COMPANY

cc: Messrs. Afilrod
Guenther
Coyne
Corrigan

October 23, 1979

JAMES B. POWERS
CHAIRMAN AND PRESIDENT

Dr. Robert P. Black, President
Federal Reserve Bank of Richmond
701 East Byrd Street
Richmond, Virginia 23261

Dear Bob:

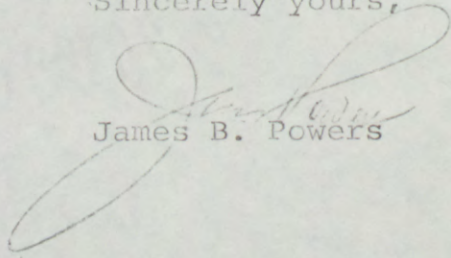
At our November Directors Meeting, I will report to them our purchase on October 16, 1979, of nineteen additional shares of Federal Reserve Bank of Richmond Stock. This purchase was necessitated due to the fact that several of our officers have executed stock options.

Due to the tremendous increase in the cost of money, I am somewhat embarrassed to report to our Directors that the annual dividend on Federal Reserve Bank stock remains at 6%. We now have a total cash investment of \$345,750, which represents one-half of the par value or \$50.00 per share.

Bob, will you accept this letter as an official request to have Chairman Volcker review this outdated dividend payment.

Let me express to you my sincere thanks for your willingness to consider this matter.

Sincerely yours,



James B. Powers

JBP:ca

FEDERAL RESERVE BANK OF RICHMOND

RICHMOND, VIRGINIA 23261

October 25, 1979

Mr. James B. Powers
Chairman and President
The Planters National Bank
and Trust Company
Post Office Box 1220
Rocky Mount, North Carolina 27801

Dear Jim:

It is always nice to hear from you and particularly good to learn that you are an even larger stockholder than I thought. Stockholders of your caliber are hard to come by these days!

I share your feeling that the six percent dividend we pay stockholders is inadequate when compared with the cost of money today but, unfortunately, the amount is set by statute. Consequently, we cannot raise the dividend unless the Federal Reserve Act is amended. Therein, of course, lies a problem. It seems that every time we try to obtain a needed amendment to the Federal Reserve Act certain legislators try to amend the Act even further and almost invariably in ways that neither you nor we would want. Consequently, we have been a bit reluctant to push for an increase in the six percent dividend for fear that the "cure" might be worse than the "ailment." As you know, right now we are trying to push through Congress some membership legislation that would benefit you even more than a hike in the dividend.

As you requested, I am passing on your suggestion to Chairman Volcker, whom I am sure will also be sympathetic to your request. Although I have not discussed the issue with him, I believe he would be glad to push for an increase in the six percent dividend if the circumstances ever appear favorable for such an increase without producing other, and worse, amendments.

Please give my best regards to Julia.

Sincerely yours,

Bob

Robert P. Black
President

✓cc: Chairman Volcker

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

1979 OCT 29 PM 2:49

RECEIVED
OFFICE OF THE CHAIRMAN

October 19, 1979

Dear Bob:

Thanks for your letter regarding the communication of information on internal System matters. I'm glad to see that we are making progress but, having been on the other side, I can understand the frustrations and problems that arise when those relatively few exceptions arise. I agree the new facsimile network will help, but in the immediate situation I have asked Ted Allison and Joe Coyne, working with their counterparts at the Banks, to see what can be done now to plug the remaining gaps.

Sincerely,

Mr. Robert P. Black
Chairman
Conference of Presidents
of the Federal Reserve Banks
Federal Reserve Bank of Richmond
Richmond, Virginia 23261

EGC:slw
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Citation Information

Document Type: Correspondence

Number of Pages Removed: 5

Citations: Letter to Paul Volcker from Robert P. Black, October 15, 1979.

Letter to Paul Volcker from Robert P. Black, August 22, 1979.

Strictly Confidential (FR): Class I FOMC - Letter to Paul Volcker from Robert P. Black, August 15, 1979.