



SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

NOV 1971

Honorable Arthur F. Burns
Chairman, Board of Governors
Federal Reserve System
20th Street & Constitution Avenue, N.W.
Room 2046
Washington, D. C. 20551

Dear Chairman Burns:

We are looking forward to our meeting with you on Tuesday at 10:00 A.M.

To give you a better understanding of the matters that are of interest to the Commission, I have enclosed an outline of issues that could be productively explored during that meeting. We would, of course, be pleased to limit or expand the subject matter in accordance with your wishes.

We would also like to have Mr. Alan Levenson, Director of our Division of Corporation Finance, and Mr. John Burton, our Chief Accountant, present during portions of our meeting.

I suggest that we begin our meeting without any staff present and discuss the balance of our agenda at that time.

I am delivering this letter by messenger in order that you or a member of your staff can suggest to me any thoughts you may have on the above procedure.

With best personal regards.

Sincerely,

A handwritten signature in black ink, appearing to read "Roderick M. Hills", written over a horizontal line.

Roderick M. Hills
Chairman

Photocopy from Gerald R. Ford Library

PROPOSED AGENDA ITEMS FOR MEETING WITH FEDERAL RESERVE BOARD
Tuesday, November 25, 10:00 a.m.

1. Holdings of New York City, State and related agency securities by bank holding companies.
 - A. Total
 - B. Percentage of capital
 - C. Effect on income
 - D. FED comments on specific holding companies
2. Accounting treatment for New York securities under various conditions (default, exchange, Federal guarantee) by:
 - A. Bank Regulators
 - B. SEC
 - C. Accounting profession
3. Disclosure of New York and related securities holdings in registration statements, periodic reports, and press releases.
 - A. Aggregate amounts
 - B. Effect on income
 - C. Materiality criteria
4. Coordination between Bank Agencies and SEC
 - A. Continuous disclosure
 - B. Troubled bank cases
 - (1) exchange of material information
 - (2) resolving conflicts between investors needs and possible deposit withdrawals
 - (a) agency action
 - (b) legislation