examination or investigation made by, or return, report or record made to or filed with, such department or agency or officer or employee thereof, which information concerns or relates to the trade secrets, processes, operations, style of work, or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm, partnership, corporation, or association; or permits any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; shall be fined not more than $1,000, or imprisoned not more than one year, or both; and shall be removed from office or employment.

In carrying out its responsibilities, it is, of course, incumbent upon the Board not only to avoid any violation of the law but to conduct its activities in a manner consistent with the intent of the law. The Board is responsible for the examination or regulation, directly or indirectly, of some 4,500 financial institutions. As a result, the Board's records contain confidential information relating to specific institutions. Under these circumstances, the Board's general regulations provide for the confidential character of its records in section 505.12 (12 CFR 505.12), as follows:

SECTION 505.12. CONFIDENTIAL CHARACTER.—The giving out of any such records or information, or documents relative thereto, by any of the persons referred to in sections 505.10 and 505.11 is held to be contrary to public policy by reason of its privileged and confidential character involving delicate and sensitive matters relating to the condition and affairs of financial institutions and not to be permitted. In all cases where any such documents or records, or copies thereof, are desired by, or on behalf of, any private party, or parties to a suit, whether in a court of the United States or any other, such information or copies shall be furnished only upon the written authorization or approval of the Board, or such person or persons as may be authorized by it to grant such authorization or approval.

8. In response to your question 8, I do not believe that private parties dealing with the Board are required in any manner to resort to organization or procedure not published in the Federal Register. As previously stated in response to question 2, the Board utilizes the Federal Register to promulgate descriptions of its central and field organizations, statements of the general course and method by which its functions are channeled and determined and substantive rules and statements of general policy.

9. The only instance in which the Board has refrained from publishing rules where there is involved a function of the United States requiring secrecy in the public interest is in connection with the Emergency Preparedness Regulations for Continuity of Government. These regulations, while in existence, will not be effective unless a need for their utilization arises.

10. In connection with internal agency management, there is no publication in the Federal Register of regulations governing personnel security, regulations concerning the Board's personal management system, adopted in accordance with criteria prescribed by the Bureau of the Budget, and Chairman's orders (which have the character of regulations), adopted under various reorganization plans. To the extent, however, that the Chairman's orders have an effect upon the public dealing with the agency, such orders are published in accordance with the requirements of the Administrative Procedure Act.

11. Your 11th question deals with the Board's definition of the term "official record" as used in section 3(c) of the Administrative Procedure Act. As hereinabove indicated, the Board's records are declared by section 505.12 of the General Regulations (12 CFR 505.12) to be confidential. The reasons for this confidentiality are set forth in the answer to question 7. The Board has no definition of the term "official record," as such. In each instance when persons properly and directly concerned seek access to specific records, a determination is made by the Board whether to release the records in question.

In accordance with your request, two copies of the Board's general regulations, the regulations for the Federal Home Loan Bank System, the rules and regulations for the Federal savings and loan system, the rules and regulations for insurance of accounts and the most recent statement of the organization and functions of the Board are enclosed.

Sincerely,

JOHN E. HORNE, *Chairman.*