

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, August 5, 1936, at 4:00 p. m.

PRESENT: Mr. Szymczak
Mr. McKee
Mr. Ransom
Mr. Davis

Mr. Morrill, Secretary
Mr. Carpenter, Assistant Secretary

Consideration was given to each of the matters hereinafter referred to and the action stated with respect thereto was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on August 4, 1936, were approved unanimously.

Telegrams to Mr. Young, President of the Federal Reserve Bank of Boston, Mr. Austin, Chairman of the Federal Reserve Bank of Philadelphia, Mr. Leach, President of the Federal Reserve Bank of Richmond, and Mr. Dillard, Deputy Chairman of the Federal Reserve Bank of St. Louis, stating that the Board approves the establishment without change by the respective banks today of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Telegram to Mr. Young, Assistant Federal Reserve Agent at the Federal Reserve Bank of Chicago, reading as follows:

"Board accepts resignations, effective as at close of business August 6, 1936, of Young, Prugh and Martin as Assistant Federal Reserve Agents at the Federal Reserve Bank of Chicago. Board approves bonds of Schelling and Raether as Assistant Federal Reserve Agents and of Diercks as alter-

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"nate Assistant Federal Reserve Agent. It is understood that the appointments of the last three mentioned individuals will become effective as of August 6, 1936. Please advise of effective date of transfer of nonstatutory functions from Agent to the bank."

Approved unanimously, together with a letter to The Fidelity and Casualty Company of New York, New York, New York, reading as follows:

"This refers to the bonds executed by The Fidelity and Casualty Company of New York on July 31, 1936, covering Mr. Carl Schelling as Assistant Federal Reserve Agent and Mr. W. R. Diercks as Alternate Assistant Federal Reserve Agent, and to the bond executed on August 3, 1936, covering Mr. Bernard L. Raether as Assistant Federal Reserve Agent, at the Federal Reserve Bank of Chicago.

"Under the law, it is the practice of the Federal Reserve Agents at the various Federal Reserve banks to appoint, subject to the approval of the Board of Governors of the Federal Reserve System, Assistant Federal Reserve Agents and Alternate Assistant Federal Reserve Agents, and you will note that the bonds executed by Messrs. Schelling, Diercks, and Raether contain a recital that their appointments in the capacities described were made by the Federal Reserve Agent at the Federal Reserve Bank of Chicago. However, at the time of the appointments of these persons in such capacities, there was a vacancy in the office of the Federal Reserve Agent at the Federal Reserve Bank of Chicago and such appointments were made by the Assistant Federal Reserve Agent at that bank and approved by the Board of Governors. The Board of Governors, therefore, has approved the bonds referred to above with the understanding that the recitals contained therein with reference to the appointments of Messrs. Schelling, Diercks and Raether cover the appointments as described in this letter, and that, in the light of these facts, the description of such appointments as contained in the bonds is acceptable to The Fidelity and Casualty Company of New York. It will be appreciated if you will furnish the Board with a confirmation of this understanding."

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Thereupon the meeting adjourned.

Chester Morie
Secretary.

Approved:

M. S. Sargent
Member.