

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, October 12, 1936, at 11:00 a. m.

PRESENT: Mr. Eccles, Chairman
Mr. McKee
Mr. Davis

Mr. Morrill, Secretary
Mr. Bethea, Assistant 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:

Memorandum dated October 9, 1936, from Mr. Paulger, Chief of the Division of Examinations, recommending that the temporary appointment of Miss Henrietta Slavens as a stenographer in the Division be extended for a further period of one month from October 20, 1936, with no change in her present salary at the rate of \$100 per month.

Approved unanimously.

Letter to Mr. Fry, Vice President of the Federal Reserve Bank of Richmond, reading as follows:

"This refers to your letter of October 2, 1936, in which you state that you have been advised by the Bank of Romney, Romney, West Virginia, that the circuit court has appointed Mr. G. W. Arnold as trustee of the Flora estate; that the accounting to the estate was approved by the court; that the \$1500 note of Eugene R. and G. W. Arnold was transferred to the trustee along with the other investments and cash; and that certain accounts in the savings ledger which might possibly have been construed as trust funds have been

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"transferred to trustees legally authorized to administer these funds.

"The opinion of counsel for your bank, inclosed with your letter, with regard to the possible violation of section 5209 of the Revised Statutes by Mr. J. S. Zimmerman, an attorney, is noted. Since it appears that the failure of Mr. Zimmerman to pay over to the bank the proceeds of a note collected by him on behalf of the bank may possibly involve a violation of the provisions of section 5209 of the Revised Statutes, it is suggested that you report the facts in such case to the local United States Attorney and forward three copies of such report to the Board for transmission to the Attorney General of the United States."

Approved unanimously.

Letter to the Presidents of all Federal reserve banks, reading as follows:

"Referring to the Board's letter, St. 1254, of June 28, 1920, Mr. Wayne C. Taylor, Assistant Secretary of the Treasury, advised the Board under date of October 3 that it will be satisfactory to the Treasury if the Federal Reserve banks will furnish a certified statement once a year with respect to deficiencies, if any, in their deposit reserves.

"Accordingly, the monthly reports you have been submitting with respect to deficiencies in deposit reserves may be discontinued, and in lieu thereof a statement should be submitted after the end of each calendar year certifying that the Federal Reserve bank had no deficiencies in deposit reserves during the preceding calendar year, except on specified dates, if any. In the event that your bank has a deficiency in deposit reserves a report in duplicate on Form St. 1252 should be submitted promptly after the end of the month in which the deficiency occurred and the appropriate tax paid to the Treasury."

Approved unanimously.

Letter to Mr. Wheeler, Chief of the Division of Research of the Federal Reserve Bank of San Francisco, reading as follows:

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"Replying to your letter of October 5, there is no objection to your releasing to member banks in your district summaries of the reports on form FR 249 of interest rates paid on deposits and interest and discount rates charged on loans. It will be appreciated, however, if you will furnish the Board with copies of any such releases."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morie
Secretary.

Approved:

W. S. ...
Chairman.