

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, June 14, 1937, at 10:45 a. m.

PRESENT: Mr. Eccles, Chairman
 Mr. Ransom, Vice Chairman
 Mr. Broderick
 Mr. McKee
 Mr. Davis

Mr. Morrill, Secretary
 Mr. Bethea, Assistant Secretary
 Mr. Carpenter, Assistant Secretary
 Mr. Clayton, Assistant to the Chairman

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 June 11, 1937, were approved unanimously.

Telegrams to Mr. Helm, Vice President of the Federal Reserve Bank of Kansas City, and Mr. McKinney, President of the Federal Reserve Bank of Dallas, 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.

Letter to Mr. Young, President of the Federal Reserve Bank of Boston, reading as follows:

"Reference is made to your letter of June 3, 1937, submitting an application of the 'Norfolk County Trust Company', Brookline, Massachusetts, for permission to establish a branch at Franklin, Massachusetts, and recommending that the trust company be granted permission to acquire the business of The Franklin National Bank, Franklin, Massachusetts, and to establish a branch at the present location of that bank.

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"The purchase of assets and assumption of liabilities of The Franklin National Bank, Franklin, Massachusetts, by the Norfolk County Trust Company, Brookline, Massachusetts, under the plan submitted would not appear to result in any material change in the character of assets or scope of corporate powers exercised by the State member bank within the meaning of the general condition under which it was admitted to membership, and, accordingly, the approval of the Board to the acquisition of the business of the national bank is not required.

"In accordance with your recommendation, the Board approves the establishment and operation of a branch at Franklin, Massachusetts, by the Norfolk County Trust Company, provided the establishment of such branch is approved by the appropriate State authorities and in the opinion of your counsel conforms with the requirements of the Federal Reserve Act and the applicable provisions of the laws of the State of Massachusetts. Please forward a copy of such opinion to the Board, together with a copy of the approval given to the establishment of the branch by the State authorities. In future cases of this kind, it will be appreciated if, as requested in the Board's letter of February 9, 1934 (X-7786), an opinion of your counsel is transmitted at the same time that the application to establish the branch is forwarded to the Board."

Approved unanimously.

Letter to Mr. Peyton, President of the Federal Reserve Bank of Minneapolis, reading as follows:

"This refers to your letter of May 29, 1937, inclosing a copy of a letter of May 28, 1937, from Mr. A. E. Wilson, Secretary and Treasurer, First Bank Stock Corporation, Minneapolis, Minnesota, relating to the agreement executed by that corporation as a condition to the issuance of a general voting permit to it.

"When a subsidiary bank has once charged off or otherwise eliminated from its assets all of the losses and depreciation specified by paragraph numbered 2 of the agreement as shown by the then latest available report of examination or other acceptable appraisal of assets, no further action is required with respect to such bank under the terms of such paragraph.

"The execution of the proposed agreement modifying the above-mentioned agreement will have no effect on paragraph

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"numbered 2 except to make it applicable in the case of subsidiary national banks as well as subsidiary State banks."

Approved unanimously.

Mr. Morrill submitted a recommendation, which had been approved by the Personnel Committee, that the Board authorize the purchase of certain furniture for the cafeteria in the Board's new building, as listed at a total cost of \$2,931.00.

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrill
Secretary.

Approved:

W. S. Lewis
Chairman.