

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, December 17, 1937, at 12:30 a. m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
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 December 16, 1937, were approved unanimously.

Telegrams to Mr. Kimball, Secretary of the Federal Reserve Bank of New York, Mr. Austin, Chairman of the Federal Reserve Bank of Philadelphia, Messrs. Clark, Young and Powell, Secretaries of the Federal Reserve Banks of Atlanta, Chicago and Minneapolis, respectively, and Mr. Stewart, Chairman of the Federal Reserve Bank of San Francisco, stating that the Board approves the establishment without change by the New York, Chicago, Minneapolis and San Francisco banks on December 16, 1937, and by the Philadelphia and Atlanta banks today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

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

"Referring to your letter of December 10, the Board approves payment of compensation to Dr. E. A. Kincaid at the rate of \$600 per month for a period not exceeding three months during the summer of 1938, during which period he is to be employed on a full-time basis. It will be appreciated if you will advise the Board when Dr. Kincaid's full-time employment begins and when it terminates."

Approved unanimously.

Letter to Mr. G. Fred Berger, Chairman, Mortgage Investment Fund Committee of the Pennsylvania Bankers Association, Norristown, Pennsylvania, reading as follows:

"This refers to your letter of December 10, 1937, addressed to Mr. Wingfield, with reference to the submission by your Committee of suggestions for an amendment to the Board's Regulation F covering the operation of Common Trust Funds the investments of which would be made principally in mortgages.

"As suggested in your letter, it seems clear that, if the Board deferred action on the proposal now before it for an amendment to its Regulation F covering the operation of Common Trust Funds pending a consideration of your contemplated suggestions with reference to mortgage funds, a considerable delay of action on the pending proposal would result. In the circumstances, therefore, the Board does not feel that it should defer action on the proposal it now has before it, and it will be glad to give consideration to your suggestions for an amendment to its Regulation F relating to Common Trust Funds, the principal investments of which would be mortgages, whenever you desire to submit such suggestions."

Approved unanimously.

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Thereupon the meeting adjourned.

Chester Mowbray
Secretary.

Approved:

W. S. Carter
Chairman.