A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, September 15, 1938, at 12:30 p.m.

PRESENT: Mr. Ransom, Vice Chairman
Mr. Szymczak
Mr. Davis
Mr. Draper
Mr. Bethea, Assistant Secretary
Mr. Carpenter, Assistant Secretary

The action stated with respect to each of the matters herein—after referred to was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on September 13, 1938, were approved unanimously.

Letter to Mr. Stewart, Secretary of the Federal Reserve Bank of St. Louis, reading as follows:

"Reference is made to your letter of September 7, 1938, asking whether any changes will be made in the group classifications in connection with the forthcoming election of Class A and Class B directors of your bank.

"It is noted that you have no changes to suggest. The Board is of the opinion that no changes are necessary, and accordingly will continue the present classification of member banks in the Eighth Federal Reserve District."

Approved unanimously.

Telegram to Mr. Gidney, Vice President of the Federal Reserve Bank of New York, reading as follows:

"Relet September 14. Board extends to December 1, 1938 the time within which 'The Patchogue Citizens Bank & Trust Company', Patchogue, New York, may complete its membership in the System."

Approved unanimously.
Memorandum dated September 12, 1938, from Mr. Parry, Chief of the Division of Security Loans, referring to the action taken at the meetings of the Board on February 20, 1936, and September 1, 1937, permitting certain classes of member firms of national securities exchanges to file reports on Form F.R. 240 semi-annually instead of monthly, and recommending, for the reasons stated, that the Board permit all reporting firms which are not members of the New York Stock Exchange but have membership only on the smaller exchanges to file their reports only at semi-annual intervals. The memorandum also requested approval by the Board of drafts of letters attached thereto advising the Federal reserve banks concerned that the Board had taken the proposed action and asking them to request semi-annual reports beginning as of December 31, 1938, from the additional firms in their respective districts who are to report only semi-annually.

The recommendation and letters were approved unanimously.

Memorandum dated September 14, 1938, from Mr. Vest, Assistant General Counsel, recommending that there be published in the October issue of the Federal Reserve Bulletin statements in the form attached to the memorandum with respect to a recent ruling of the Board on the following subject, and with regard to the recent amendment to Regulation L with respect to Morris Plan Banks:

Advance by Bank to Finance Purchase of Stock Called for Retirement.

Approved unanimously.
Memorandum dated September 13, 1938, from Mr. Foulk, Fiscal Agent, recommending that, for the reason stated in the memorandum, an amount of $25.00 be added to the 1938 budget for his office to cover the purchase of stationery and supplies for the remainder of the current year.

Approved unanimously.

Thereupon the meeting adjourned.

[Signature]
Assistant Secretary.

Approved:

[Signature]
Vice Chairman.