

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, January 18, 1939, at 10:30 a. m.

PRESENT: Mr. Ransom, Vice Chairman  
Mr. McKee  
Mr. Draper

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman  
Mr. Wyatt, General Counsel  
Mr. Paulger, Chief of the Division of  
Examinations  
Mr. Dreibelbis, Assistant General Counsel  
Mr. Chase, Assistant Counsel

ALSO PRESENT: Mr. Theodore Francis Green, Chairman of the board of directors of the Morris Plan Company of Rhode Island  
Mr. Howard E. Gladding, Secretary and General Manager of the Morris Plan Company of Rhode Island  
Mr. Henry C. Hart, of Counsel for the Morris Plan Company of Rhode Island

In accordance with the action taken at the meeting of the Board on December 21, 1938, arrangements had been made with Mr. Theodore Francis Green, Chairman of the board of the Morris Plan Company of Rhode Island, to discuss with the Board the position taken in his letter of November 23, 1938, with respect to the application of the provisions of the Clayton Act to his company. Under date of January 12, 1939, Mr. Chase had prepared a memorandum relating to this matter, copies of which had been furnished to the members of the Board.

Mr. Green stated that he and the other representatives of the Morris Plan Company of Rhode Island who were present were of the opinion

1/18/39

-2-

that the Board should rule that the company was not a bank within the meaning of the Clayton Act. A memorandum of the points raised during the ensuing discussion of this question has been placed in the Board's files.

At the conclusion of the discussion, upon inquiry, Mr. Green stated that all of the directors of the Morris Plan Company of Rhode Island who would be affected by the Board's decision in this matter (with the exception of one who was not able to continue because he was serving on the boards of two commercial banks) had evidenced a willingness to continue to serve and that they would be reelected at the annual stockholders meeting which would be held on Friday, January 20, 1939, and that they would not resign until such action became necessary to comply with the law and the provisions of the Board's regulations.

Mr. Green was advised that the matter would be given further consideration by the Board.

Thereupon the meeting adjourned.

Rester Morrie  
Secretary.

Approved:

Ignace Korman  
Vice Chairman.