

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, March 27, 1939, at 10:30 a. m.

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

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

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 March 24, 1939, were approved unanimously.

Memorandum dated March 24, 1939, from Mr. Wyatt, General Counsel, transmitting the resignation of Joseph T. Owens as Assistant Counsel to be effective as of May 24, 1939, and recommending that the resignation be accepted as of that date.

The resignation was accepted with regret.

Letter to Mr. Shortt, Assistant Federal Reserve Agent at the Federal Reserve Bank of San Francisco, reading as follows:

"In accordance with the recommendation contained in your letter of March 21, 1939, the Board approves the appointment of Mr. G. W. Relf as Federal Reserve Agent's Representative at the Los Angeles Branch at his present salary of \$3,900 per annum, with the understanding that

3/27/39

-2-

"Mr. Relf will be placed upon the Agent's payroll and will be solely responsible to him, or, during a vacancy in the office of Agent, to the Assistant Federal Reserve Agent, and to the Board of Governors, for the proper performance of his duties. When not engaged in the performance of his duties as Federal Reserve Agent's Representative he may, with the approval of the Federal Reserve Agent, or, during the vacancy in the office of the Agent, of the Assistant Federal Reserve Agent, and Branch Managing Director, perform such work for the bank as will not be inconsistent with his duties as Federal Reserve Agent's Representative. It will be appreciated if you will advise the date on which Mr. Relf assumes his duties as Federal Reserve Agent's Representative.

"Mr. Relf should execute the usual oath of office and surety bond in the amount of \$50,000 on a typewritten or mimeographed form identical with the form of bond attached to the Board's letter of April 2, 1937, (X-9856), and he should not enter upon the performance of his duties as Federal Reserve Agent's Representative until the bond has been examined by your counsel to determine whether its execution complies fully with the rules printed on the reverse side thereof, following which the bond should be forwarded to the Board promptly for approval.

"It is noted that Mr. H. D. Swengel, the present Federal Reserve Agent's Representative at the Los Angeles Branch, will be relieved of his agency functions. Please forward his resignation to the Board promptly after receipt thereof so that an appropriate letter may be written the bonding company involved, releasing it from liability on the bond executed by Mr. Swengel as Federal Reserve Agent's Representative."

Approved unanimously.

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

"Reference is made to your letter of March 21 regarding the proposed reduction in the common capital stock of the State Bank of Pearl River, New York, Pearl River, New York, from \$100,000 to \$50,000. You state that as part of the plan bank premises will be reduced by \$5,000 and the bank will charge off all securities depreciation shown in the next report of examination made by the Banking Department.

3/27/39

-3-

"In view of all the circumstances and your recommendation, the Board approves a reduction from \$100,000 to \$50,000 in the common stock of the State Bank of Pearl River, New York, Pearl River, New York, on the condition that none of the released capital is returned to the shareholders and provided that your counsel is satisfied as to the legal aspects of the case."

Approved unanimously.

Letter to Mr. Parker, President of the Federal Reserve Bank of Atlanta, reading as follows:

"Reference is made to your letter of March 22 in regard to the stock of new Federal Reserve notes of the 1928 series held at your Jacksonville Branch.

"In view of the limited vault space at the Jacksonville Branch, and of the cost of shipping these notes to the head office, the Board will offer no objection to their cancellation and shipment to Washington for destruction. In answer to your inquiry, should legislation be obtained authorizing the Treasury to replace Federal Reserve notes of the 1928 series with notes without the gold clause, it is assumed that such authorization would include notes destroyed under the conditions set forth in your letter, provided an adequate record is kept of the serial numbers by denominations of the notes canceled."

Approved unanimously.

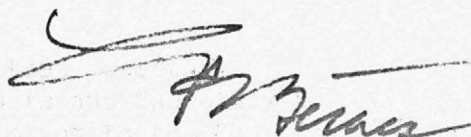
Memorandum dated March 23, 1939, from Mr. Wyatt, General Counsel, referring to the action taken by the Board on December 20, 1938, when the office of General Counsel was authorized to prepare a comprehensive index of all of the Board's Regulations in pamphlet form uniform in size with the Regulations, and recommending that, for the reasons set forth in the memorandum, the printing of the index be deferred until after the adjournment of the present session of Congress.

Approved unanimously.

3/27/39

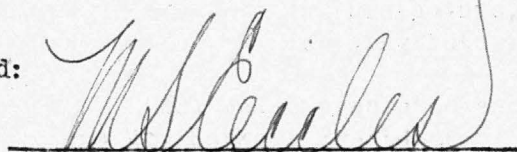
-4-

Thereupon the meeting adjourned.



Assistant Secretary.

Approved:



Chairman.