

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, August 30, 1939, at 12:00 m.

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

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

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

The minutes of the three meetings of the Board of Governors of the Federal Reserve System held on August 28 and the meeting held on August 29, 1939, were approved unanimously.

Letter to Mr. C. L. Pitman, Acting Chief of the Division of Examination of the Federal Deposit Insurance Corporation, reading as follows:

"This refers to your letter of August 28, 1939, regarding the proposed absorption of the Highland Park Trust Company, Highland Park, Michigan, an uninsured bank, by the Guardian Bank of Royal Oak, Royal Oak, Michigan, a State member bank, the removal of the bank's place of business to Highland Park, and the establishment of a branch office at Royal Oak. Since the bank's capital is insufficient under the provisions of the Federal Reserve Act to permit the establishment of the proposed branch, you advise that the bank has decided to withdraw from membership in the Federal Reserve System in order to proceed with these plans.

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"In accordance with your request, therefore, the Board of Governors hereby grants written consent in accordance with provisions of subsection (k)(2) of section 12B of the Federal Reserve Act for examiners for the Federal Deposit Insurance Corporation to examine the Guardian Bank of Royal Oak, Royal Oak, Michigan, in connection with its application for continuation of deposit insurance as a nonmember bank."

Approved unanimously.

Telegram to the Presidents of all Federal Reserve banks, reading as follows:

"We understand that some Federal Reserve banks have received requests from American Banker for brief outline of additional advantages created for banks in their districts by new check collection schedules and we have been asked to suggest course to be followed because it is likely that similar requests have been received by all Federal Reserve banks. In view of effect of geographical location on collection time and of variations in practice among the Federal Reserve districts it is not believed to be feasible to devise a satisfactory uniform reply and it is suggested that whatever reply each bank may decide to make be made as brief as practicable in the circumstances and that statements be avoided which when compared with statements from other districts might emphasize disparities."

Approved unanimously.

Memorandum dated August 26, 1939, from Mr. Spurney, Building Manager, recommending with the concurrence of Mr. Morrill that, for the reasons stated in the memorandum, the amount of \$1,320 be added to the item "Repairs and Alterations to Building" in the current budget for Building Operation and Maintenance.

Approved unanimously.

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Thereupon the meeting adjourned.

W. Fraser Morrie
Secretary.

Approved:

W. C. ...
Chairman.