

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, November 4, 1940, at 11:30 a.m.

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

Mr. Morrill, 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 November 2, 1940, were approved unani-
mously.

Letter to the board of directors of the "Bank of Alberta, Incorporated", Alberta, Virginia, stating that, subject to condi-
tions of membership numbered 1 to 3 contained in the Board's Regu-
lation H, the Board approves the bank's application for membership
in the Federal Reserve System and for the appropriate amount of
stock in the Federal Reserve Bank of Richmond.

The letter also contained the fol-
lowing special comment:

"It appears that the bank possesses certain powers which are not being exercised and which are not necessarily required in the conduct of a banking business, such as the power to guarantee the payment of bonds. Attention is invited to the fact that if the bank desires to exercise any powers not actually exercised at the time of admission

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"to membership, it will be necessary under condition of membership numbered 1 to obtain the permission of the Board of Governors before exercising them. In this connection the Board understands that there has been no change in the scope of the corporate powers exercised by the bank since the date of its application for membership."

Approved unanimously for transmission through the Federal Reserve Bank of Richmond.

Letter to Mr. Fleming, President of the Federal Reserve Bank of Cleveland, reading as follows:

"The Board of Governors has considered the recommendations of the Executive Committee of your Bank, contained in your letters of October 24, 1940, and, pursuant to the provisions of Section 19 of the Federal Reserve Act, grants permission to the "St. Clair Deposit Bank of Pittsburgh" and the "Bank of Ohio Valley", both of Pittsburgh, Pennsylvania, to carry the same reserves against net demand deposits and time deposits as are required to be carried by banks located outside of central reserve and reserve cities, such permission to be effective if and when the banks are admitted to membership in the Federal Reserve System.

"Please advise the respective member banks of the Board's action in this matter, calling their attention to the fact that such permission is subject to revocation at any time by the Board of Governors of the Federal Reserve System."

Approved unanimously.

Letter to Mr. Ralph L. Hebbard, Acting Water Registrar, District of Columbia, reading as follows:

"This will acknowledge the printed notice addressed to the Federal Reserve Board by your office under date of October 31, 1940, calling attention to the fact that the water rent upon the building occupied by the Board of Governors of the Federal Reserve System at Constitution Avenue and 20th Street has not been paid.

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"In a letter addressed to the Board under date of August 4, 1940, you stated that you had been instructed to render bills to the Board for the use of water but to take no further action toward the collection thereof until the determination of the question as to the taxability of the Federal Reserve building.

"Pursuant to a suggestion contained in a letter addressed to the Board's Counsel by the Secretary to the Board of Commissioners of the District of Columbia under date of September 27, 1940, the Board is giving consideration to the question what procedure may be adopted to obtain a final determination of this question and it is assumed that you will take no further action toward the collection of the bills for the use of water until the taxation question has been finally determined."

Approved unanimously

Thereupon the meeting adjourned.

Bester Morrie
Secretary.

Approved:

W. S. ...
Chairman.