

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, February 20, 1941, at 10:30 a.m.

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

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman  
Mr. Thurston, Special Assistant to the Chairman  
Mr. Paulger, Chief of the Division of Examinations  
Mr. Dreibelbis, Assistant General Counsel  
Mr. Wingfield, Assistant General Counsel  
Mr. Hostrup, Federal Reserve Examiner

In accordance with the action at the meeting of the Board on January 22, 1941, Messrs. Wingfield and Cagle had prepared a draft of a letter to the Secretary of the Treasury relating to bank holding companies with which it was contemplated would be enclosed a statement designed to clarify the bank holding company situation and the Board's position with respect thereto. The draft of the letter also stated that the Board was preparing a statement of its views with respect to bill S.310 on this subject and that, at the Secretary's convenience, the Board would be glad to discuss this statement with him along with a suggested program for modifications in existing bank holding company statutes. Under date of February 10, 1941, copies of

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the draft of letter to the Secretary of the Treasury and the statement to be enclosed therewith, as well as a draft of statement of the Board's views with respect to bill S.310 and a draft of outline of a bank holding company and bank affiliate bill, had been sent to the office of each member of the Board. Subsequently Mr. Wingfield had prepared a shorter draft of the statement to be enclosed with the letter to the Secretary of the Treasury and at this meeting consideration was given to that draft.

Following a reading of the statement and a discussion of certain changes therein suggested by Mr. Ransom, it was agreed unanimously that the other members of the Board would give to Mr. Ransom as soon as possible memoranda of any changes that they might wish to suggest in the statement, that Mr. Ransom would revise the statement on the basis of the suggestions made by all of the members of the Board, and that copies of the revision would be given to each member of the Board and placed on the docket for consideration at a later meeting.

At this point Messrs. Thurston, Paulger, Dreibelbis, Wingfield, and Hostrup left the meeting and the action stated with respect to each of the matters hereinafter referred to was then taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on February 19, 1941, were approved unanimously.

Memorandum dated February 14, 1941, from Mr. Wyatt, General Counsel, recommending, for the reasons stated in the memorandum, that Mrs. Frances C. Cashell be appointed as a stenographer in the Office of

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General Counsel, with salary at the rate of \$1,560 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed satisfactorily the usual physical examination.

Approved unanimously.

Letter to Mr. Keesee, Secretary of the Federal Reserve Bank of Richmond, reading as follows:

"Referring to your letter of February 14, 1941, the Board of Governors approves the reappointment of Messrs. J. G. Holtzclaw, Walker D. Stuart, Overton D. Dennis, William L. Manning, and Ludlow H. Baldwin as members of the Industrial Advisory Committee for the Fifth Federal Reserve District to serve for terms of one year each beginning March 1, 1941."

Approved unanimously.

Letter to Mr. Merritt, Chairman of the Federal Reserve Bank of Dallas, reading as follows:

"Referring to your letter of February 14, 1941, the Board of Governors approves the reappointment of Messrs. Clarence Ousley, T. M. Cullum, Lewis R. Ferguson, W. B. Marsh, and Charles R. Moore as members of the Industrial Advisory Committee for the Eleventh Federal Reserve District to serve for terms of one year each beginning March 1, 1941."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:

W. B. Marsh  
Chairman.

Clarence Ousley  
Secretary.