

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, July 10, 1941, at 11:30 a.m.

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

Mr. Morrill, Secretary
Mr. Bethea, 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:

Memorandum dated July 8, 1941, from Mr. Goldenweiser, Director of the Division of Research and Statistics, submitting the resignation of Richard C. Breithut as a junior economist in that Division, effective at the close of business on July 8, 1941, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Memorandum dated July 8, 1941, from Mr. Nelson, Assistant Secretary, submitting the resignation of Lewis W. Shollenberger as a clerk in the Secretary's Office, to become effective as of the close of business on July 13, 1941, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Memorandum dated July 7, 1941, from Mr. Nelson, Assistant Secretary, reading as follows:

"There is attached a report of accident to the

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"Board's Chrysler Royal Sedan, which occurred on June 3, 1941. The expense of repairing the damages to the car is \$83.45. The insurance which we carry on our cars covers liability for bodily injury and property damage, but does not cover damage to our own cars.

"A young man by the name of Nick Morana, approximately 16 years old, was responsible for the damages to the Board's car, and investigation has developed that this young man was driving his father's car without his parents' consent. No accident insurance was carried on Morana's car and our counsel is of the opinion that it would be difficult to sustain a claim against the parents for the damages to the Board's car. From information which we have been able to obtain, it appears that Mr. Joseph Morana, father of Nick Morana, works as a tailor for Bond and Company at \$35.00 a week and that the mother also works occasionally. Mr. Morana informed me that he was buying a home on contract, but that he did not have title to the property and his equity, if any, was very small.

"An effort has been made by our insurance company to collect the damages for us and I have talked to Mr. and Mrs. Morana regarding the payment of this bill. We have been unsuccessful in obtaining any commitment to pay for the damages but have obtained a compromise offer of \$50.00 payable at the rate of \$5.00 per week. The first installment of \$5.00 has been tendered with this offer of compromise and it is felt that we can recover more under this settlement than by trying to obtain judgment and collect the full amount of the damages through Court action.

"It is recommended, therefore, that the claim against Mr. Morana be settled for the sum of \$50.00, as set forth in the attached agreement."

The agreement referred to in the memorandum reads as follows:

"In compromise and full settlement of a claim for damages to the Chrysler Royal automobile, Serial No. 768-3921, Engine No. 47661, owned by the Board of Governors of the Federal Reserve System, 20th and Constitution Avenue, Washington, D. C., resulting from the operation of a 1939 model Plymouth automobile, 1941 District of Columbia tag No. 115-322, by our son, Nick Morana, on June 3, 1941, we hereby offer the sum of \$50, payable in not to exceed ten

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"successive weekly installments of not less than \$5 per installment; and, in accordance with the terms of this offer, we submit herewith the sum of \$5 in payment of the first installment.

(Signed) Joseph Morana
1425 - 19th St. S.E.

(Signed) Leah Morana
1425 - 19th St. S.E.

"The foregoing offer, dated July 7, 1941, in compromise and full settlement of its claim admitted in such offer, is hereby accepted; and receipt of the first installment of \$5, paid in accordance with the terms of such offer is hereby acknowledged.

Board of Governors of the Federal Reserve System.

By _____

July __, 1941

_____ "

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morris
Secretary.

Approved:

W. C. C. C.

Chairman.