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 A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, August 13, 1941, at 11:30 a.m.

PRESENT: Mr. Eccles, Chairman
 Mr. Ransom, Vice Chairman
 Mr. Szymczak
 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 hereinafter referred to was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on August 12, 1941, were approved unanimously.

Memorandum dated August 6, 1941, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that Miss Virginia L. Amonette be appointed as a clerk in the Division of Research and Statistics, 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. Drinnen, First Vice President of the Federal Reserve Bank of Philadelphia, reading as follows:

"The Board of Governors approves the change in the personnel classification plan of your Bank, as requested in your letter of August 7, 1941."

Approved unanimously.

Letter to Mr. Leedy, First Vice President of the Federal Reserve Bank of Kansas City, reading as follows:

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"Referring to the Board's letter dated July 21, 1941 and your letter of August 8, 1941, relative to maximum annual salaries for positions in the Office of Production Management, Defense Contract Service Department, the Board approves a maximum salary of \$6,000 for the positions of District Manager at the Denver, Oklahoma City, and Omaha Branches. Copies of Form A pages enclosed with your letter of July 15, 1941 covering these positions have been changed accordingly.

"The Board of Governors also approves a maximum annual salary of \$4,800 for the position of Assistant to District Manager at the head office."

Approved unanimously.

Letter to Mr. Gilbert, President of the Federal Reserve Bank of Dallas, reading as follows:

"The Board of Governors approves the change in the personnel classification plan of your Bank, as requested in your letter of August 8, 1941."

Approved unanimously.

Letter to the board of directors of "The Pulaski Trust Company", Pulaski, Virginia, stating that, subject to conditions of membership numbered 1 to 6 contained in the Board's Regulation 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 following 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 and trust business, such as the power to guarantee the payment of bonds. Attention is invited to the fact that if the

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"bank desires to exercise any powers not actually exercised at the time of admission 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 when the bank applied for membership it had no liabilities on account of guarantees on bonds and mortgages sold, and 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 "The Kishacoquillas Valley National Bank of Belleville", Belleville, Pennsylvania, reading as follows:

"This refers to the resolution adopted on December 26, 1940, by the board of directors of your bank, signifying the bank's desire to surrender its right to exercise fiduciary powers heretofore granted to it.

"The Board, understanding that your bank has never actually accepted or undertaken the exercise of any trust, has issued a formal certificate to your bank certifying that it is no longer authorized to exercise any of the fiduciary powers covered by the provisions of section 11(k) of the Federal Reserve Act, as amended. This certificate is enclosed herewith.

"In this connection, your attention is called to the fact that, under the provisions of section 11(k) of the Federal Reserve Act, as amended, when such a certificate has been issued by the Board of Governors of the Federal Reserve System to a national bank, such bank (1) shall no longer be subject to the provisions of section 11(k) of the Federal Reserve Act or the regulations of the Board of Governors of the Federal Reserve System made pursuant thereto, (2) shall be entitled to have returned to it any securities which it may have deposited with the State or similar authorities for the protection of private or court trusts, and (3) shall not exercise any of the powers conferred by section 11(k) of the Federal Reserve Act except with the permission of the Board of Governors of the Federal Reserve System.

Approved unanimously.

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Thereupon the meeting adjourned.

Chester Morie
Secretary.

Approved:

W. Steeles
Chairman.