

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, March 28, 1942, at 11:30 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
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 meeting of the Board of Governors of the Federal Reserve System held on March 27, 1942, were approved unanimously.

Memorandum dated March 27, 1942, from Mr. Nelson, submitting the resignation of Mrs. Lucy F. Hummer as a stenographer in the office of Governor Draper, to become effective as of the close of business on March 31, 1942, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Memorandum dated March 27, 1942, from Mr. Wyatt, General Counsel, submitting the resignation of Miss Amy L. Downing as a stenographer in the General Counsel's Office, to become effective as of the close of business on April 8, 1942, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

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Letter to Mr. Ambrose, Managing Director of the Los Angeles Branch of the Federal Reserve Bank of San Francisco, reading as follows:

"Enclosed are copies of a letter received from C. S. Brubaker, 4373 South Hoover Street, Los Angeles, and a reply thereto.

"In connection with the detailed questions on rugs and clocks, it was thought desirable that you communicate directly with Mr. Brubaker since there may be points which should be discussed with him at greater length than is possible by correspondence.

"For your information, it is the Board's opinion that the size of the rug has no bearing upon whether or not it is included within the terms of the regulation. Furthermore, it would appear that the clock which he describes is so clearly unsuitable for household or personal use that credit sales would not be subject to the regulation."

Approved unanimously.

Letter to Mr. L. H. Goldbright, Jr., Vice President-Treasurer of the Heating and Plumbing Finance Corporation, New York, New York, reading as follows:

"Chairman Eccles has asked me to acknowledge receipt of a copy of a letter dated March 11, 1942, which you sent Mr. Abner H. Ferguson, of the Federal Housing Administration.

"It is understood that the 'Summer Plan' will no longer be permissible in connection with modernization loans insured under Title I of the Federal Housing Act. This is a recent development and you are quite right that it is not consistent with the present provisions of the Board's Regulation W which make possible a deferment of four months and 15 days in the first payment where seasonal goods are purchased in an off season. These provisions of Regulation W were written into the original regulation which became effective on September 1, 1941, when war problems were not so serious as they are at present.

"The Board would be very glad to have your views on

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"the possible elimination of the relevant provisions in Regulation W."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrey
Secretary.

Approved:

W. H. ...
Chairman.