

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, April 12, 1943, at 11:00 a. m.

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

Mr. Morrill, Secretary
Mr. Bethea, 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 April 10, 1943, were approved unanimously.

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

"In accordance with the request contained in your letter of April 3, 1943, the Board approves the appointment of Reno P. Ransom as an examiner for the Federal Reserve Bank of Cleveland. Please advise us of the date upon which the appointment becomes effective."

Approved unanimously.

Letter to the board of directors of the "Farmers Bank of Boydton", Boydton, Virginia, stating that, subject to conditions of membership numbered 1 to 3 contained in the Board's Regulation H, the

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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 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 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 the board of directors of "The Anacostia Bank, Anacostia, D. C.", Washington, D. C., stating that, subject to conditions of membership numbered 1 to 3 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.

Approved unanimously, together with a letter to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"The Board of Governors of the Federal Reserve System approves the application of 'The Anacostia Bank, Anacostia, D. C.', Washington, D. C., for membership in the Federal Reserve System, subject to the conditions prescribed in the enclosed letter which you are requested to forward to the

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"Board of Directors of the institution. A copy is also enclosed for your files.

"In an informal discussion of this case with the Comptroller's Office we were informed that efforts had been made to get the bank to increase its capital through the sale of additional stock but that to date there had been no definite action by the bank in that regard. We passed on to the representative with whom the discussion was had the fact that the desirability of increasing the capital was taken up with the management by the Reserve Bank in connection with the bank's application for membership and that the management indicated that there should be no difficulty in selling \$100,000 new stock within a year. It is understood that the matter will be followed up right away by the Comptroller's Office in an effort to get plans toward that end under way as promptly as possible."

Letter to the Presidents of all the Federal Reserve Banks, reading as follows:

"The Board has received from the War Department, the Navy Department, and the United States Maritime Commission advice of the approval by each of those Agencies of a revised standard form of guarantee agreement identified by the words '(Form of April 6, 1943)', as enclosed herewith, for use in operations under Executive Order No. 9112 and the Board's Regulation V.

"In this connection the following documents are enclosed:

"1. Letter from the War Department to all Federal Reserve Banks, dated April 8, 1943, signed by Brigadier General A. H. Carter, Director, Fiscal Division, Army Service Forces; together with a mimeographed copy of the revised form of guarantee agreement of April 6, 1943, duly authenticated by General Carter.

"2. Letter from the Navy Department to all Federal Reserve Banks, dated April 8, 1943, signed by Mr. Sidney A. Mitchell, Chief of Finance Section; together with a mimeographed copy of the revised form of guarantee agreement of April 6, 1943, duly authenticated by Mr. Mitchell.

"3. Letter from the United States Maritime Commission to all Federal Reserve Banks, dated April 12, 1943, signed by Mr. W. C. Peet, Jr., Secretary; together with a mimeographed copy of the revised form of guarantee agreement of April 6, 1943, duly authenticated by Mr. Peet.

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"4. Conformed copies of letters addressed to all Federal Reserve Banks by General Carter of the War Department, dated April 8, 1943, and by Mr. Mitchell of the Navy Department, dated April 8, 1943, regarding the use of the revised form of guarantee agreement of April 6, 1943, with certain necessary minor changes, in cases in which a Federal Reserve Bank makes or participates in making a guaranteed loan.

"The revised form of guarantee agreement is now being printed; and a supply of the printed forms of the agreement will be sent you as soon as possible."

Approved unanimously.

Telegram to Mr. Young, President of the Federal Reserve Bank of Chicago, reading as follows:

"Board of Governors approves changes in Interdistrict Time Schedule requested in Mr. Petersen's April 9 letter. Letter of advice being sent to all Presidents."

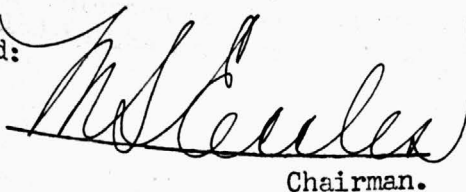
Approved unanimously, together with the following letter to the Presidents of all the Federal Reserve Banks:

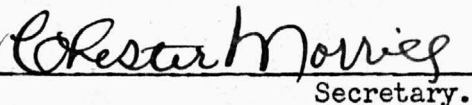
"Upon request of the Federal Reserve Bank of Chicago, the Board of Governors of the Federal Reserve System has approved the following changes in the Interdistrict Time Schedule for cash items:

	<u>From</u>	<u>To</u>
Detroit to New Orleans	2 days	3 days
Detroit to Omaha	2 days	3 days
Chicago to New Orleans	2 days	3 days
Chicago to Omaha	1 day	2 days"

Thereupon the meeting adjourned.

Approved:


Chairman.


Secretary.