

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, May 1, 1943, at 11:00 a.m.

PRESENT: Mr. Szymczak
Mr. Draper
Mr. Evans

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 herein-after referred to was taken by the Board:

Memorandum dated April 29, 1943, from Mr. Morrill, recommending that Howard W. Stull, Sr., be appointed as a guard in the Secretary's Office on a temporary basis for an indefinite period, with basic salary at the rate of \$1,500 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed satisfactorily the usual physical examination.

Approved unanimously.

Memorandum of this date from Mr. Morrill, recommending that Miss Harriet A. Fitzgerald be appointed as a cafeteria helper in the Secretary's Office on a temporary basis for a period of not to exceed 60 days, with salary at the rate of \$1,080 per annum, effective May 1, 1943.

Approved unanimously.

Memorandum dated April 29, 1943, from Mr. Goldenweiser, Director of the Division of Research and Statistics, submitting the resignation of Mrs. Franc S. Valentine as a clerk-stenographer in that Division, to

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become effective as of the close of business on May 4, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

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

"In accordance with the request contained in your letter of April 27, 1943, the Board approves the appointment of Sam W. Clark as an assistant examiner for the Federal Reserve Bank of Dallas. If the appointment is not made effective on May 12, 1943, as planned, please advise us."

Approved unanimously.

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

"Board of Governors and Armed Services have under consideration proposal that if a financing institution charges a borrower a commitment fee in connection with a loan that is guaranteed pursuant to Executive Order 9112 of March 26, 1942, the amount of such fee shall not exceed 1/4 of 1 per cent per annum on the undisbursed portion of the loan, also that no termination fee, service fee, or other fee of a similar character, except charges covering out-of-pocket expenses of a financing institution, may be charged a borrower in connection with such a guaranteed loan. Please furnish Board by wire not later than Monday evening any comments you wish to make with respect to above proposal. Unless and until further advised, this proposal should be kept strictly confidential."

Approved unanimously.

Letter to the Presidents of all the Federal Reserve Banks, with a copy to the liaison officers, reading as follows:

"Referring to the Board's letter of April 28, 1943 enclosing a copy of Executive Order No. 9336, for your information and guidance there is enclosed a copy of a memorandum from the War Department dated April 29, 1943, signed by Lieutenant Colonel Paul Cleveland, in regard to the War Department

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"procedure to be followed in connection with guarantees of loans to finance the procurement of articles for the Lend Lease Administration.

"We shall forward you, upon receipt, a copy of the Maritime Commission's instructions in connection with applications for guarantees to finance War Shipping Administration contractors."

Approved unanimously, together with a letter to Mr. Graham Heiner of the Office of Lend Lease Administration transmitting a copy of the above letter.

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

W.S. Symyak.
Member.