

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, May 24, 1943, at 10:15 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
Mr. McKee
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 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 May 22, 1943, were approved unanimously.

Memorandum dated May 20, 1943, from Mr. Goldenweiser, Director of the Division of Research and Statistics, submitting the resignation of Mrs. Louise Bieler as a clerk-stenographer in that Division, to become effective as of the close of business on August 8, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Letter to the board of directors of "The Lindsey Banking Company", Lindsey, Ohio, 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

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for the appropriate amount of stock in the Federal Reserve Bank of Cleveland.

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

"The Board of Governors of the Federal Reserve System approves the application of 'The Lindsey Banking Company', Lindsey, Ohio, for membership in the Federal Reserve System, subject to the conditions prescribed in the enclosed letter which you are requested to forward to the Board of Directors of the institution. Two copies of such letter are also enclosed, one of which is for your files and the other of which you are requested to forward to the Superintendent of Banks for the State of Ohio for his information.

"It is assumed that you will follow the matter of the bank's reducing to within statutory limits the excess balances in nonmember banks."

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

"In order that the practice at all Federal Reserve Banks may be uniform with respect to the time when the amount of Federal Reserve notes outstanding is reduced because of shipments of Federal Reserve notes to the Treasury for retirement, it will be appreciated if in the future all Federal Reserve Banks will put through entries reducing the amount of Federal Reserve notes outstanding upon receipt of the CYPEP telegram from the Currency Redemption Division of the Office of the Treasurer of the United States.

"This procedure seems to be desirable in view of the collateral security provisions of Section 16 of the Federal Reserve Act."

Approved unanimously.

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

"This letter supersedes the Board's letter S-134, dated December 19, 1938, with reference to the use of Form F. R. 212.

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"The form has been revised to provide space for reporting ratings assigned under the recently adopted uniform system and to provide for listing the major problems in banks rated C or D. A few other changes have been made but they are of minor importance. Two copies of the revised form, which has been approved by the Board, are enclosed and a supply of the forms is being mailed to each of the Reserve Banks under separate cover. Additional supplies may be obtained upon request.

"Form 212 will continue to be used only in connection with examinations made by examiners for the Federal Reserve Banks. However, as is now the case, if the report of an independent examination made by State authorities discloses a situation or contains information which should be brought to the attention of the Board, the information should be presented in the form best adapted to the particular situation.

"At some of the Reserve Banks there is apparently a considerable delay in receiving information from State authorities in connection with joint examinations and as a result Form 212 is not forwarded to the Board until some time after the report of examination is sent. It is requested that hereafter the form be submitted along with the report of examination forwarded to the Board. If information with respect to the classification of assets by the State examiner or other information which is to come from the State authorities is not available when the report is forwarded, such information may be sent in a subsequent letter or a supplemental Form 212 so marked and containing only the necessary additional information and comments."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

W. E. C. C. C.
Chairman.