

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, August 7, 1943, at 11:00 a.m.

PRESENT: Mr. Eccles, Chairman  
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 of this date from Mr. Morrill, recommending that James Penington 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 basic salary at the rate of \$1,080 per annum, effective August 7, 1943.

Approved unanimously.

Memorandum dated August 6, 1943, from Mr. Leonard, Director of the Division of Personnel Administration, recommending that the following increases in basic annual salaries of employees in that Division be approved, effective August 16, 1943:

| <u>Name</u>        | <u>Designation</u> | <u>Salary Increase</u> |           |
|--------------------|--------------------|------------------------|-----------|
|                    |                    | <u>From</u>            | <u>To</u> |
| Harry B. Stone     | Senior Clerk       | \$2,900                | \$3,100   |
| Ruth A. Westergren | Personnel Clerk    | 2,600                  | 2,800     |

Approved unanimously.

Memorandum of this date from Mr. Morrill, submitting the resignation of H. F. Mayberry as a chauffeur in the Secretary's Office,

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to become effective as of the close of business on August 19, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Letter to the board of directors of the "Citizens Bank of Hattiesburg", Hattiesburg, Mississippi, 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 Atlanta.

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 powers to act as surety and to insure titles to real estate. 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 corporate powers exercised by the bank since the date of its application for membership."

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

"The Board of Governors of the Federal Reserve System approves the application of the 'Citizens Bank of Hattiesburg', Hattiesburg, Mississippi, 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 State Bank Comptroller for the State of Mississippi for his information.

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"It is assumed that you will follow the matter of the bank's bringing into conformity with the provisions of law and the Board's Regulations the savings accounts listed on page 16 of the report of examination for membership; the matter of providing adequate supervision of trust activities; and the establishment of a program for adequate depreciation of bank premises.

"Since the amount of estimated losses classified in the report of examination for membership is reported to have been charged off, the usual condition of membership requiring the elimination of losses has not been prescribed."

Letter to the "Mountain Trust Bank", Roanoke, Virginia, reading as follows:

"The Board is glad to learn that you have completed all arrangements for the admission of your bank to the Federal Reserve System and takes pleasure in transmitting herewith a formal certificate of your membership.

"It will be appreciated if you will acknowledge receipt of this certificate."

Approved unanimously.

Thereupon the meeting adjourned.

Chester M. Murrell  
Secretary.

Approved:

W. S. Coates  
Chairman.