

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, November 19, 1943, at 1:30 p.m.

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

Mr. Morrill, 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 November 18, 1943, were approved unanimously.

Telegrams to Messrs. Treiber and McCreedy, Secretaries of the Federal Reserve Banks of New York and Philadelphia, respectively, Mr. Hays, First Vice President of the Federal Reserve Bank of Cleveland, Mr. Dillard, Vice President of the Federal Reserve Bank of Chicago, Mr. Stewart, Secretary of the Federal Reserve Bank of St. Louis, Mr. Caldwell, Chairman of the Federal Reserve Bank of Kansas City, and Mr. Hale, Secretary of the Federal Reserve Bank of San Francisco, stating that the Board approves the establishment without change by the Federal Reserve Banks of St. Louis and San Francisco on November 16 and by the Federal Reserve Banks of New York, Philadelphia, Cleveland, Chicago,

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Kansas City, and San Francisco on November 18, 1943, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Letter to the board of directors of the "Union Trust and Deposit Company", Parkersburg, West Virginia, 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 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 'Union Trust and Deposit Company', Parkersburg, West Virginia, 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 Commissioner of Banking for the State of West Virginia, for his information.

"It is noted that the bank has been advised as to the requirements of the Board's regulations with respect to notice of withdrawal of savings deposits, and it is assumed that your office will follow the matter of bringing the bank's requirements into conformity."

Letter to the board of directors of "The Farmers and Merchants State Bank", Colby, Kansas, 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

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Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Kansas City.

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

"The Board of Governors of the Federal Reserve System approves the application of 'The Farmers and Merchants State Bank', Colby, Kansas, 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 Bank Commissioner for the State of Kansas, for his information.

"It is noted that the bank agreed to charge off immediately the estimated losses amounting to \$2,404.50, as shown in report of examination for membership. It is assumed that you will satisfy yourselves that such losses have been charged off or otherwise eliminated prior to the bank's admission to membership and will advise the Board in due course."

Letter prepared for the signature of Chairman Eccles to the Honorable Francis Biddle, the Attorney General, reading as follows:

"Under date of September 18, 1943, the Board advised you that it did not know of any State legislation which it desired to propose at that time for the consideration of your Department and the Council of State Governments; but it expressed the hope that the proposed amendment exempting Federally guaranteed war production loans from the loan limitations of the State banking laws, which was placed on the program of the Council of State Governments last year at the Board's suggestion and which has passed 40 of the State legislatures, will be enacted next year in Kentucky, Louisiana, Mississippi, Virginia and possibly in South Carolina.

"This is to advise you that, on the basis of information subsequently received, it now appears that it is not necessary as a practical matter to obtain such amendments in Virginia and South Carolina.

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"For your further information in this connection, there is enclosed a copy of a letter addressed to the Board's General Counsel by the Counsel to the Federal Reserve Bank of Richmond under date of November 11, 1943."

Approved unanimously.

Thereupon the meeting adjourned.

Obester Morrie
Secretary.

Approved:

McKee
Chairman.