

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, August 19, 1944, at 11:00 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Draper

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 August 18, 1944, from Mr. Bethea submitting the resignation of Miss Mildred Fuqua as a file clerk in the Secretary's Office, to become effective as of the close of business on August 29, 1944, and recommending that the resignation be accepted as of that date, with the understanding that appropriate deduction will be made from her salary for two hours of unearned sick leave.

The resignation was accepted as recommended.

Letter to the board of directors of the "Madrid Bank", Madrid, New York, 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 New York.

Approved unanimously for transmission through the Federal Reserve Bank of New York.

8/19/44

-2-

Letter to the board of directors of the "First State Bank", Belmond, Iowa, 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 Chicago.

Approved unanimously for transmission through the Federal Reserve Bank of Chicago.

Letter to the board of directors of the "State Bank of Florence", Florence, Wisconsin, 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 Minneapolis.

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

"The Board of Governors of the Federal Reserve System approves the application of the 'State Bank of Florence', Florence, Wisconsin, 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 Chairman, Banking Commission for the State of Wisconsin, for his information.

8/19/44

-3-

"The Board has not prescribed a special condition of membership with respect to depreciation of banking house, furniture and fixtures, as it is felt that it is a matter for supervisory administration. The circumstances do not appear to warrant departure from the position taken by the Board in its letter of June 15, 1940 (F.R.L.S. #3517).

"It has been noted that losses estimated in the report of examination for membership, amounting to \$557, are to be charged off upon receipt of the report of examination and it is assumed that you will see that this is done prior to admission of the bank to membership.

"It is assumed also 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 account mentioned on page 16 of the report of examination for membership."

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

"In accordance with the request contained in Mr. Diercks' letter of August 15 the Board extends to September 27, 1944, the time within which the First State Bank of East Detroit, East Detroit, Michigan, may accomplish membership in the System."

Approved unanimously.

Memorandum of this date from Mr. Paulger, Director of the Division of Examinations, referring to the approval by the Board on July 24, 1943, of the temporary designation by the Federal Reserve Bank of San Francisco of six examiners from the New York, Philadelphia, Chicago, and St. Louis Reserve Banks to participate in the examinations of Transamerica Corporation and affiliated organizations and to the understanding at that time that additional examiners would be necessary and that

8/19/44

-4-

traveling and other out-of-pocket expenses incurred by all of the special examiners furnished by the Reserve Banks would be reimbursed. The memorandum stated that on July 26, 1943, the Board approved the designation of Messrs. Fred J. Mueller and Melvyn P. Cange of the St. Louis Reserve Bank on the same basis as the six other examiners to participate in the examination of the Axton-Fisher Tobacco Company of Louisville, Kentucky, one of the Transamerica subsidiaries, and recommended that the Board approve the payment of a voucher attached to the memorandum in the sum of \$703.63, which included the expenses of Messrs. Mueller and Cange and Mr. Gales (one of the examiners from the St. Louis Bank approved originally), to the Federal Reserve Bank of San Francisco which had already reimbursed the St. Louis Reserve Bank, which in turn had reimbursed its examiners for the expenses involved.

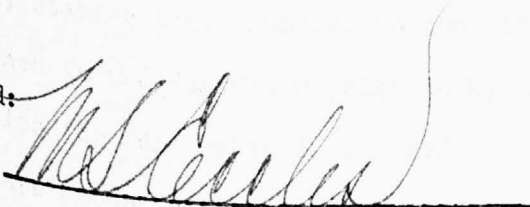
Approved unanimously.

Thereupon the meeting adjourned.



Assistant Secretary.

Approved:



Chairman.