A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, September 16, 1944, at 11:00 a.m.

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

Mr. Morrill, Secretary
Mr. Bethea, Assistant Secretary
Mr. Carpenter, Assistant Secretary

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on September 15, 1944, were approved unanimously.

Memorandum dated September 13, 1944, from Mr. Morrill recommending (1) that the appointment of Mrs. Helen E. Cook as a file clerk in the Secretary's Office be made permanent, effective September 16, 1944, and (2) that the following increases in basic annual salaries of employees in the Secretary's Office be approved, effective September 16, 1944:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>Salary Increase</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helen E. Cook</td>
<td>File Clerk</td>
<td>$1,440</td>
<td>$1,560</td>
<td></td>
</tr>
<tr>
<td>Anne Lipscomb</td>
<td>File Clerk</td>
<td>1,560</td>
<td>1,620</td>
<td></td>
</tr>
<tr>
<td>Helen A. Haltigan</td>
<td>File Clerk</td>
<td>1,740</td>
<td>1,860</td>
<td></td>
</tr>
<tr>
<td>Beatrice Hunter</td>
<td>File Clerk</td>
<td>1,980</td>
<td>2,100</td>
<td></td>
</tr>
<tr>
<td>Margery D. Maize</td>
<td>File Clerk</td>
<td>2,100</td>
<td>2,300</td>
<td></td>
</tr>
</tbody>
</table>

Approved unanimously.

Memorandum dated September 12, 1944, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that the
following increases in basic annual salaries of employees in that Division be approved, effective September 16, 1944:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>Salary Increase From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lucille Barnett</td>
<td>Clerk</td>
<td>$2,040</td>
<td>$2,200</td>
</tr>
<tr>
<td>Elizabeth P. Tewksbury</td>
<td>Clerk</td>
<td>2,200</td>
<td>2,400</td>
</tr>
<tr>
<td>Ethel L. Evans</td>
<td>Clerk</td>
<td>2,400</td>
<td>2,600</td>
</tr>
<tr>
<td>Rosa Ernst</td>
<td>Research Assistant</td>
<td>2,500</td>
<td>2,700</td>
</tr>
<tr>
<td>Agnete Laursen</td>
<td>Economist</td>
<td>2,400</td>
<td>2,600</td>
</tr>
<tr>
<td>Eleanor S. Frase</td>
<td>Economist</td>
<td>2,900</td>
<td>3,200</td>
</tr>
<tr>
<td>Katharyne P. Reil</td>
<td>Economist</td>
<td>2,900</td>
<td>3,200</td>
</tr>
</tbody>
</table>

Approved unanimously.

Memorandum dated September 12, 1944, from Mr. Smead, Director of the Division of Bank Operations, recommending that the salary of Gardner L. Boothe, Assistant Administrator of the War Loans Committee, be increased from the rate of $7,500 to $8,000 per annum, effective September 16, 1944.

Approved unanimously, with the understanding that Mr. Boothe would be advised that the increased salary was based upon his responsibilities in his present assignment in connection with the War Loans Committee, and that, upon completion of the assignment, his salary would be adjusted to an amount commensurate with the duties of the position to which he might then be assigned.

Memorandum dated September 13, 1944, from Mr. Dreiblebis, General Attorney, recommending that the basic salary of Wilson L. Hooff, Attorney, be increased from $4,000 to $4,200 per annum, effective October 1, 1944.

Approved unanimously.

Memoranda dated September 15 and 16, 1944, from Mr. Morrill, recommending (1) that the resignation of Mrs. Ruby Howell, cafeteria
9/16/44

helper in the Office of the Secretary, be accepted as of the close of business on September 7, 1944, and (2) that Miss Charlotte A. Murphy be employed as a cafeteria helper in the Office of the Secretary, on a temporary basis for an indefinite period, with basic salary at the rate of $1,200 per annum, effective September 16, 1944.

The recommendations were approved unanimously.

Letter to Mr. William Willett, First Vice President of the Federal Reserve Bank of Boston, reading as follows:

"In accordance with the request contained in your letter of September 11, 1944, the Board approves the designation of the following as special assistant examiners for the Federal Reserve Bank of Boston:

George L. Campbell
Francis L. Finnegan
Harold Gray
John F. Burke
Ralph J. Di Napoli
Ernest P. Farnam
Arthur M. Stoddard
Robert L. Schneider
Ray C. Whiteman
Robert E. Waters
Douglas Titus
Plemen C. Hamm
Robert W. Hannan
John H. Howard, Jr."

Approved unanimously.

Letter to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"In accordance with the request contained in your letter of September 12, 1944, the Board approves the appointment of John C. Horigan as an assistant examiner for the Federal Reserve Bank of Richmond. Please advise us of the date upon which the appointment becomes effective.

"It is noted that R. T. Short, an examiner for your Bank, resigned effective August 31, 1944, and that Herbert I. Lewis, an assistant examiner, resigned effective July 31, 1944."

Approved unanimously.

Letter to Mr. Laning, Vice President and Cashier of the Federal Reserve Bank of Cleveland, reading as follows:
"In view of the circumstances described in your letter of September 13, 1944, the Board of Governors approves the continuation of the payment of a salary to Mr. Calvin C. Witzel at the rate of $2,220 per annum, which is $120 in excess of the maximum annual salary provided in the personnel classification plan of your Bank for the position of Registered Mail Clerk, Mail Department, the position to which Mr. Witzel is assigned.

This approval is given pending submission of a certificate to support the proposed increase in the maximum annual salary for the position occupied by Mr. Witzel."

Approved unanimously.

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

"In accordance with the requests contained in your letters of September 13, 1944, the Board approves the appointments of Rolland Arthur Franzen and Keefer Leslie Lientz as assistant examiners for the Federal Reserve Bank of Chicago. Please advise us of the dates upon which the appointments become effective."

Approved unanimously.

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

"The Board of Governors approves the appointment by your Board of Directors of W. D. Gentry as First Vice President of the Federal Reserve Bank of Dallas, effective October 1, 1944, for the unexpired portion of the term ending February 28, 1946.

The Board also approves payment of salaries to the following officers for the period October 1, 1944 to May 31, 1945, inclusive, at the rates fixed by your Board of Directors and reported in your letter of September 13, 1944, as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>W. D. Gentry</td>
<td>First Vice President</td>
<td>$13,500</td>
</tr>
<tr>
<td>R. B. Coleman</td>
<td>Vice President</td>
<td>13,000</td>
</tr>
<tr>
<td>W. O. Ford</td>
<td>Vice President</td>
<td>12,000</td>
</tr>
<tr>
<td>E. B. Austin</td>
<td>Vice President and Cashier</td>
<td>9,000</td>
</tr>
<tr>
<td>L. G. Pondrom</td>
<td>Vice President (in charge of Houston Branch)</td>
<td>8,500</td>
</tr>
<tr>
<td>W. H. Holloway</td>
<td>Vice President (in charge of San Antonio Branch)</td>
<td>7,000</td>
</tr>
<tr>
<td>F. T. Novey</td>
<td>General Auditor</td>
<td>5,000</td>
</tr>
</tbody>
</table>
"The Board likewise approves the payment to E. B. Stroud for legal services at the rate of $500 per month, on a month to month basis, under the arrangement authorized by your Board of Directors as reported in your letter of September 13, 1944."

Approved unanimously.

Letter to Mr. Neil G. Greensides, Acting Chief, Division of Examination, Federal Deposit Insurance Corporation, reading as follows:

"In accordance with the request contained in your letter of September 9, 1944, the Board of Governors of the Federal Reserve System hereby grants written consent, pursuant to the provisions of subsection (k)(2) of Section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make an examination of The Blackshear Bank, Blackshear, Georgia, in connection with its application for continuation of insurance after withdrawal from membership in the Federal Reserve System.

"There are no unfulfilled conditions nor incomplete corrective programs with respect to the member bank in connection with which the Board would suggest incorporation of conditions for continuing its status as an insured bank.

"For your information it appears that one of the principal reasons for the bank's desire to withdraw from the Federal Reserve System arises in connection with certain provisions of the Federal Reserve Act which contain restrictions on loans by a member bank to its affiliates and require publication of reports of affiliates."

Approved unanimously, together with a further letter to Mr. Greensides in the following form:

"In compliance with the request contained in your letter of September 11, 1944, the Board of Governors of the Federal Reserve System hereby grants written consent, pursuant to the provisions of subsection (k)(2) of Section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to examine the First State and Savings Bank of Holly, Holly, Michigan, in connection with its application for continuation of deposit insurance after withdrawal from membership in the Federal Reserve System.

"There are no unfulfilled conditions nor incomplete corrective programs with respect to the member bank in connection with which the Board would suggest incorporation of conditions for continuing its status as an insured bank."
Letter to Honorable Preston Delano, Comptroller of the Currency, reading as follows:

"The National City Bank of New York has made application to the Board of Governors of the Federal Reserve System, pursuant to the provisions of section 25 of the Federal Reserve Act, for permission to establish branches in Cairo and Alexandria, Egypt, or in either of said cities.

"The Federal Reserve Bank of New York recommends that the application be approved and it will be appreciated if you will advise whether you know of any objection to the granting of the permission applied for."

Approved unanimously.

Letter to Mr. A. J. Williams, Secretary, United States Maritime Commission, reading as follows:

"This is to acknowledge receipt of your letter of September 15, 1944, advising that the Maritime Commission has approved the revised form of guarantee agreement identified as '1944 V-Loan Guarantee Agreement' and bearing the date of September 15, 1944, for use in the execution of guarantee agreements on behalf of the Maritime Commission, pursuant to Executive Order No. 9112. The Board has also received a letter, dated September 14, 1944, signed by Mr. R. E. Anderson, Director of Finance, United States Maritime Commission, requesting the Board to notify each Federal Reserve Bank of the Commission's approval of such form of guarantee agreement and of the Commission's concurrence in the Explanatory Notes relative thereto.

"We note that these letters do not enclose a copy of the Guarantee Agreement as approved by the Commission or of the Explanatory Notes as concurred in by the Commission. Accordingly, in order that our records in this matter may be entirely clear, there is enclosed a copy of the form of '1944 V-Loan Guarantee Agreement' and a copy of 'Explanatory Notes with Respect to the 1944 V-Loan Guarantee Agreement', both bearing the date of September 15, 1944. It is our understanding that the enclosed form of guarantee agreement is the guarantee agreement referred to in your letter and that the enclosed Explanatory Notes are the Explanatory Notes referred to in Mr. Anderson's letter as having been concurred in by the Maritime Commission. It will be appreciated if you will confirm our understanding in these respects."

Approved unanimously.
Memorandum dated September 14, 1944, from Mr. Wyatt stating that, pursuant to the order issued by the Board on August 9 with respect to a hearing to determine whether John Agnew and F. O. Fayerweather should be removed as directors of the Paterson National Bank, Paterson, New Jersey, he had arranged through the Federal Reserve Bank of New York for the services of Eugene F. Kerwin, court reporter, or one of his associates, to take a stenographic transcript of the hearing and prepare a report thereon in accordance with the directions contained in the Board's order, it being understood that the charge for this service would be at the rate of $1 per page for the original and one carbon copy of the transcript of the proceedings.

Approved unanimously, with the understanding that the appropriate account in the budget of the Legal Division would be increased by an amount equal to the costs of the transcript of the hearing.

Thereupon the meeting adjourned.

[Signatures]

Chairman.