A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, November 10, 1944, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
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:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on November 9, 1944, were approved unanimously.

Telegrams to Mr. Flanders, President of the Federal Reserve Bank of Boston, Mr. Treiber, Secretary of the Federal Reserve Bank of New York, Messrs. Leach and McLarin, Presidents of the Federal Reserve Banks of Richmond and Atlanta, respectively, Mr. Dillard, Vice President of the Federal Reserve Bank of Chicago, Mr. Stewart, Secretary of the Federal Reserve Bank of St. Louis, Mr. Powell, First Vice President of the Federal Reserve Bank of Minneapolis, Mr. Hall, Secretary of the Federal Reserve Bank of Kansas City, Mr. Gilbert, President of the Federal Reserve Bank of Dallas, and Mr. Earhart, Vice President of the Federal Reserve Bank of San Francisco, stating that the Board approves the establishment without change by the Federal Reserve Banks
of Atlanta and San Francisco on November 8, by the Federal Reserve
Banks of New York, Richmond, Chicago, St. Louis, Minneapolis, Kansas
City, and Dallas on November 9, 1944, and by the Federal Reserve Bank
of Boston today, of the rates of discount and purchase in their exist-
ing schedules.

Approved unanimously.

Memorandum dated November 9, 1944, from Mr. Morrill recommend-
ing that Miss Beverly J. Davey be retransferred from Mr. Szymczak's
office to the Secretary's Office as a stenographer, with no change in
her present basic salary at the rate of $1,800 per annum, effective
immediately.

Approved unanimously.

Letter to the board of directors of the "Platte Valley Bank,
Ravenwood, Missouri", Ravenwood, Missouri, stating that, subject to
conditions of membership numbered 1 to 3 contained in the Board's Reg-
ulation 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 Kansas City.

Approved unanimously, together with
the following letter to Mr. Leedy, Presi-
dent of the Federal Reserve Bank of Kansas
City:

"The Board of Governors of the Federal Reserve Sys-
tem approves the application of the 'Platte Valley Bank,
Ravenwood, Missouri', Ravenwood, Missouri, 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 Finance for the State of Missouri, 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 Fidelity Acceptance Corporation, Berkeley, California, reading as follows:

"This refers to your letters of October 13 and 17, 1944, addressed to the Board of Governors of the Federal Reserve System, transmitted through the Federal Reserve Bank of San Francisco, relative to the status of the Fidelity Acceptance Corporation, Berkeley, California, as a holding company affiliate if the proposed Bank of Berkeley, Berkeley, California, is admitted to membership in the Federal Reserve System. "From these letters the Board understands that your Corporation plans to purchase a majority interest in the shares of stock of the Bank of Berkeley; that your Corporation's type of business has been primarily that of owning, operating, or controlling automobile agencies and auto accessory stores, as well as acting as broker for numerous insurance companies, lending of money and the ownership of all shares of stock in a company operating under the Industrial Loan Act of the State of California; that your Corporation intends to discontinue its lending operations and turn over all such business to the Bank of Berkeley; that your Corporation plans to liquidate and dissolve its subsidiary industrial loan company and sell its acceptable assets to the Bank of Berkeley; and that neither your Corporation nor its subsidiary industrial loan company owns or controls any stock of, or manages or controls, any banking institution at the present time and neither intends to acquire or own or control either directly or indirectly any bank stock other than shares of stock of the Bank of Berkeley. "On the basis of its understanding of the facts set forth in your letters, the Board has determined that upon
"the accomplishment of the future steps in the manner set forth therein, your Corporation will not be engaged directly or indirectly as a business in holding the stock of, or managing or controlling banks, banking associations, savings banks, or trust companies within the meaning of section 2(c) of the Banking Act of 1933, as amended; and, accordingly, your Corporation will not be a holding company affiliate for any purposes other than those of section 23A of the Federal Reserve Act.

"If, however, your Corporation should at any time thereafter own or control a substantial portion of the stock of, or manage or control more than one banking institution, this matter should again be submitted to the Board for its determination. The Board reserves the right to make a further determination at any time on the basis of the then existing facts."

Approved unanimously, together with the following letter to Mr. Mangels, Vice President of the Federal Reserve Bank of San Francisco:

"Referring to your letter of October 18, 1944, and enclosures, relating to the holding company affiliate status of the Fidelity Acceptance Corporation, Berkeley, California, if the proposed Bank of Berkeley, Berkeley, California, becomes a member of the Federal Reserve System, there is enclosed for transmittal a letter of this date advising such Corporation concerning the action taken by the Board with respect to this matter. A copy of the letter is enclosed for your files.

"As you will note, the letter to the Fidelity Acceptance Corporation deals with only the holding company affiliate status of that Corporation. From the facts submitted, a question is raised whether Fidelity Acceptance and Thrift Company may be a securities company and whether the contemplated program of the management provides for the complete elimination of this company in connection with the admission of the Bank of Berkeley into the Federal Reserve System. It is assumed that in handling the membership application you will see that the necessary steps are taken to eliminate completely any question of affiliation with any securities company."
11/10/44

Memorandum dated November 9, 1944, from Mr. Leonard, Director of the Division of Personnel Administration, recommending, for the reasons stated in the memorandum, that $35 be added to the item of Repairs and Maintenance and $25 to the item of Books and Subscriptions in the 1944 nonpersonal budget of the Division of Personnel Administration.

Approved unanimously.

Thereupon the meeting adjourned.

[Signature]
Chester Morris
Secretary.

[Signature]
Approved:
Chairman.