

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, December 5, 1944, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Szymczak  
Mr. McKee  
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 December 4, 1944, were approved unanimously.

The minutes of the meeting of the Board of Governors of the Federal Reserve System with the Federal Advisory Council held on December 4, 1944, were approved unanimously.

Memorandum dated December 5, 1944, from Mr. Bethea, Director of the Division of Administrative Services, recommending that the temporary appointment of Mrs. Teresa F. Crowell as a charwoman in that Division be extended for an indefinite period, effective December 14, 1944, with no change in her present basic salary at the rate of \$1,200 per annum and with the understanding that she will remain a member of

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the Civil Service retirement system.

Approved unanimously.

Memorandum dated December 1, 1944, from Mr. Bethea, Director of the Division of Administrative Services, submitting the resignation of Mrs. Rosemary Wetnight as a cafeteria helper in that Division, to become effective as of the close of business on November 30, 1944, and recommending that the resignation be accepted as of that date.

The resignation was accepted as recommended.

Letter to the board of directors of "The Annapolis Banking and Trust Company", Annapolis, Maryland, 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 Richmond. The letter also contained the following special comment:

"It has been noted that the bank is authorized to exercise fiduciary powers but is doing so only to a limited extent, and that the Board of Directors has passed a resolution to discontinue trust functions. In the circumstances, therefore, the application has been approved on the same basis as if fiduciary powers were not being exercised. It has been noted also that the bank may possess certain powers which are not exercised and which are not necessarily required in the conduct of a banking business, such as the power to guarantee titles to real and personal property. Attention is called to the fact that if the bank should decide in the future to exercise fiduciary powers, other than to the limited extent necessary in administering the

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"accounts now on its books until the proposed liquidation of the trust department can be completed, or 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 doing so. 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. 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 Annapolis Banking and Trust Company', Annapolis, Maryland, 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 Maryland, for his information.

"Since the management agreed to charge off the estimated losses, amounting to \$12,629.18, as shown in the report of examination for membership, the usual condition of membership regarding the elimination of estimated losses has not been prescribed. It is assumed, however, that you will satisfy yourself that such losses have been charged off or otherwise eliminated prior to the bank's admission 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 time deposit-open accounts mentioned on page 16 of the report of examination for membership; that of amending the contracts with regard to withdrawals of savings deposits at the branch office so that the right to require not less than 30 days' notice in writing is reserved to the bank; and that of the bank's taking the necessary steps to provide adequate attention to operating details and its accounting system.

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"In order that our files may be complete, it will be appreciated if you will forward a copy of form of capital debentures issued by the bank and sold to the R.F.C."

Letter to Mr. Rouse, Vice President of the Federal Reserve Bank of New York, reading as follows:

"In view of the request of the applicant received with your letter of December 2, 1944, and in accordance with your recommendation, the Board extends to January 16, 1945, the time within which the Raritan State Bank, Raritan, New Jersey, may accomplish membership in the Federal Reserve System."

Approved unanimously.

Letter to the "Community Bank of Warsaw", Warsaw, Missouri, 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.

Memorandum dated December 2, 1944, from Mr. Carpenter reading as follows:

"The Files Section is holding twenty-eight drawers of duplicate vouchers covering expenditures of the Board over the period July, 1933, to September 30, 1943.

"The Office of the Fiscal Agent, and the Accounting and Procurement Sections of the Division of Administrative Services, have advised that, after the original vouchers have been paid and audited, the duplicates are of no further value as the originals are on file and can be referred to for any needed information. Counsel's office is of the opinion that the duplicate vouchers are not records within

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"the meaning of the law which requires approval by Congress of the destruction of official records and that they can be disposed of without such approval. Therefore, it is recommended that the Board authorize the destruction by incineration of (1) the duplicate vouchers now in the files, and (2) the duplicate vouchers for subsequent periods after the originals have been audited and the duplicates are turned over to the Files Section by the Division of Administrative Services."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morie  
Secretary.

Approved:

W. S. ...  
Chairman.