

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, April 5, 1945, at 10:30 a.m.

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

Mr. Morrill, Secretary
Mr. Carpenter, Assistant Secretary
Mr. Thurston, 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 April 4, 1945, were approved unanimously.

Letter to Mr. Glenn M. Goodman, Federal Reserve Examiner, reading as follows:

"The Board of Governors has agreed to make your services available to the Philippine Government in accordance with the request of Mr. Jaime Hernandez, Secretary of Finance of the Commonwealth of the Philippines, in order that you may undertake, with others, the examination of the accounts, business affairs, and financial condition of Philippine banks as a condition precedent to their being allowed to reopen. It is understood that this service will require your absence from Washington for a period of approximately six months beginning about April 9, 1945.

"Accordingly, you are hereby authorized and directed to proceed to the Philippines when requested to do so by the Philippine Government. Upon completion of your assignment unless otherwise directed by the Board you will return to Washington, D. C.

4/5/45

-2-

"It is understood that your transportation to and from the Philippines and your quarters and subsistence while there will be provided by the Philippine Government. Your compensation, reasonable out-of-pocket expenses approved by the Board's Personnel Committee, and a per diem allowance of \$8.00 in lieu of subsistence when subsistence is not provided by the Philippine Government, will be paid by the Board of Governors. It is not practicable, in view of the special circumstances, to define such out-of-pocket expenses precisely but it is contemplated that they will include reasonable outlays for special clothing and equipment required and the cost of accident and other insurance necessary to replace such of your existing insurance coverage as becomes inoperative due to travel by air or in theaters of war, such expenditures to be supported by appropriate receipts as far as practicable.

"Reimbursement for out-of-pocket expenses referred to above and per diem allowance in lieu of subsistence when not otherwise provided by the Philippine Government, pursuant to this authorization, will be made from funds under the control of the Board upon presentation of vouchers in the usual form, approved by the Board's Personnel Committee."

Approved unanimously.

In connection with the above matter unanimous approval was also given to the recommendation contained in a memorandum from Mr. Pollard, Assistant Director of the Division of Examinations, that Mr. Goodman be granted an advance of funds in the amount of \$600 for use in meeting the expenses of official travel and the purchase of special clothing and equipment in connection with his trip to the Philippines.

Memorandum dated April 5, 1945, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that the temporary appointments of the following employees in that Division be extended for an additional period through April 30, 1945, from the date

4/5/45

-3-

of the expiration of their respective appointments with no change in their present basic annual salaries as shown below:

<u>Name</u>	<u>Designation</u>	<u>Salary</u>	<u>Date of expiration of present appointment</u>
Josef Herbert Furth	Economic Specialist	\$4,500	April 5, 1945
Hans J. Dernburg	Economic Specialist	3,800	April 11, 1945
John Hans Adler	Economist	3,600	April 27, 1945

Approved unanimously.

Letter to the board of directors of the "State Bank of Mansfield", Mansfield, Texas, 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 Dallas.

Approved unanimously, for transmission through the Federal Reserve Bank of Dallas.

Letter to the board of directors of the "First State Bank, of Uvalde, Texas", Uvalde, Texas, 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 Dallas. The letter also contained the following special comment:

"It appears that the bank possesses certain powers

4/5/45

-4-

"which are not being exercised and which are not necessarily required in the conduct of a banking and trust business, such as the power to guarantee stock, bonds and other securities. Attention is invited to the fact that if the bank desires 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 exercising them. In this connection, the Board understands that there has been no change in the scope of the corporate powers exercised by the bank since the date of its application for membership."

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

"The Board of Governors of the Federal Reserve System approves the application of the 'First State Bank, of Uvalde, Texas', Uvalde, Texas, 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 Texas, for his information.

"Since the amount of estimated losses classified in the report of examination for membership is reported to have been charged off, the usual condition of membership requiring the elimination of losses has not been prescribed."

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

Donald Ransom
Vice Chairman.