A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, April 23, 1945, 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. 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 21, 1945, were approved unanimously.

Letter to Mr. Sproul, President of the Federal Reserve Bank of New York, prepared for the signature of Chairman Eccles and reading as follows:

"Pursuant to Mr. Szymczak's telephone conversation with you on April 20, 1945, the Board approves the trip that Mr. Wallich of your research staff has been invited to make to Mexico City for conferences with the staff of the Bank of Mexico. As you have already been informed by telephone and in Mr. Morrill's letter of March 12 to you, we have been giving considerable attention to the program of foreign missions, and Mr. Szymczak and I look forward to a conference with you on the subject May 4, at which time we understand you will have with you Mr. Williams and Mr. Knoke.

"Meanwhile, it appears that the visit Mr. Wallich
"has been invited to make is one which falls within the scope of the program we wish to discuss with you. It is understood that Mr. Wallich will be visiting Mexico for conferences on economic and monetary problems, primarily with members of the research staff of the Bank of Mexico and with others interested in the same field. In such discussions questions of policy may arise, and we rely of course on Mr. Wallich's ability to avoid any expressions of opinion that would be embarrassing either to your Bank or to the Board.

"We shall be glad to be of assistance in obtaining Mr. Wallich's passport or in facilitating his journey in any other way we can. We should also like to have him bear a letter to the Bank of Mexico from the Board, in addition to such credentials as you furnish him, and at some convenient time after his return from Mexico City we should like to have him call in Washington and give us an account of his visit, which we are sure will be interesting and profitable."

Approved unanimously.

Letter to the board of directors of the "North Philadelphia Trust Company", Philadelphia, Pennsylvania, 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 Philadelphia. The letter also contained the following special comment:

"It appears that the bank possesses certain powers which are not necessarily required in the conduct of a banking and trust business, including the power to insure owners of real property, mortgagees and others interested in real property from loss by reason of defective titles, liens and encumbrances. It is understood, however, that the bank has agreed to issue not more than three title policies during each calendar year (exclusive
"of policies insuring against mechanics' liens, municipal liens, and similar claims) the aggregate amount of which shall not exceed $10,000 and that insurance against loss arising from mechanics' liens and similar claims is to be confined to building operations conducted by responsible contractors who are being financed by the bank or with whom it enjoys close contact. 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, or to expand its activity under its power to insure owners of real property beyond the limitations described, 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 the corporate powers exercised by the bank since the date of its application for membership."

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

"The Board of Governors of the Federal Reserve System approves the application of the 'North Philadelphia Trust Company', Philadelphia, Pennsylvania, 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 Secretary of Banking for the Commonwealth of Pennsylvania for his information.

"It has been noted that the management agreed to charge off or otherwise eliminate the estimated losses, amounting to $23,556.21, shown in the report of examination for membership. Therefore, the usual condition regarding the elimination of 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 savings account shown on page 16 of the report of examination for membership, and the bank's requirements with respect to withdrawals of savings and other time deposits."

Letter to "The First State Bank of Malta", Malta, Montana, reading as follows:

"The Board is glad to learn that you have completed all arrangements for the admission of your bank to membership in 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.

Letter to Mr. Leland, Chairman of the Federal Reserve Bank of Chicago, reading as follows:

"At the completion of the examination of the Federal Reserve Bank of Chicago, made as of February 17, 1945, by the Board's examiners, a copy of the report of examination was left for your information and that of the directors. A copy was also furnished President Young.

"The Board will appreciate advice that the report has been considered by the board of directors. Any comments you may care to offer regarding discussions with respect to the examination or as to action taken or to be taken as a result of the examination will also be appreciated."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:

Chairman.