

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, April 25, 1945, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
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 24, 1945, were approved unanimously.

Letter to Mr. Brainard, Federal Reserve Agent at the Federal Reserve Bank of Cleveland, reading as follows:

"In accordance with the request contained in your letter of April 19, 1945, the Board of Governors approves the appointment of Mr. Elmer F. Fricke as Alternate Assistant Federal Reserve Agent with annual salary of \$2,820, effective when he enters upon his duties.

"This approval is given with the understanding that he will be placed upon the Agent's pay roll and will be solely responsible to him, or, during a vacancy in the office of Agent, to the Assistant Federal Reserve Agent, and to the Board of Governors, for the proper performance of his duties. When not engaged in the performance of his duties as Alternate Assistant Federal Reserve Agent he may, with the approval of the Federal Reserve Agent, or during a vacancy in the office of the Federal Reserve Agent, of the Assistant Federal Reserve Agent, and the President, perform such work for the Bank as will not be inconsistent with his duties as Alternate Assistant Federal Reserve Agent.

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"Mr. Fricke should execute the usual oath of office, but, assuming that he will be covered under the bankers blanket bond, execution of the usual surety bond may be deferred, if you desire, pending the disposition of the matter of discontinuing surety bonds referred to in the Board's letter of February 9, 1945.

"Please advise us as to the date when Mr. Fricke actually assumes his duties as Alternate Assistant Federal Reserve Agent."

Approved unanimously.

Letter to the board of directors of the "Citizens Bank of New Haven", New Haven, Missouri, 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 St. Louis.

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

"The Board of Governors of the Federal Reserve System approves the application of the 'Citizens Bank of New Haven', New Haven, 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 balance in a nonmember bank."

Letters to "The State Bank of Lima", Lima, Illinois, and the "First State Bank", Odessa, Texas, reading as follows:

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"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 "The Cheshire National Bank of Keene", Keene, New Hampshire, reading as follows:

"The Board of Governors of the Federal Reserve System has given consideration to your application for fiduciary powers, and grants you authority to act, when not in contravention of State or local law, as trustee and executor, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Board of Governors of the Federal Reserve System.

"This letter will be your authority to exercise the fiduciary powers granted by the Board pending the preparation of a formal certificate covering such authorization, which will be forwarded to you in due course."

Approved unanimously.

Letter to the Presidents of all the Federal Reserve Banks reading as follows:

"At the present time, there are several instances in which a member bank with its head office in a non-reserve city has one or more branches in a reserve city; and under existing practice such banks have been computing their reserves on the basis of the reserve requirements applicable to banks not in central reserve or reserve cities. The Board now has under consideration an application for the termination of the reserve city status of a city in which is located the head office of a member bank that has branches in another reserve city, and the amount of deposits at these branches of the bank is in excess of the amount of deposits at the head office.

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"In this connection, the Board is considering the enclosed amendment to its Regulation D under which a member bank with its head office or any branch office located in a central reserve city would be considered to be in a central reserve city for reserve purposes; and, similarly, a member bank with any office in a reserve city but no office in a central reserve city would be considered to be in a reserve city. However, a member bank which would be considered to be in a central reserve or reserve city solely by reason of the location of an office in the outlying district of such a city could obtain permission, upon the affirmative vote of five members of the Board of Governors, to carry lower reserve balances.

"In conformity with the proposed amendment, member banks considered to be in central reserve or reserve cities because of the location of offices in such cities would be required to compute deficiencies in reserves on the same basis as banks with head offices in central reserve or reserve cities.

"Before taking action with respect to this matter, the Board will appreciate receiving, at your early convenience, any comments which your bank may wish to make in this connection; and it will also be appreciated if you will bring the matter to the attention of those member banks in your district which would be affected by the proposed amendment, with a request for their comments.

"The names of those member banks, if any, in your district whose reserve requirements would be increased by the proposed amendment are shown below."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morris  
Secretary

Approved:

W. C. ...  
Chairman.