

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, April 8, 1946, at 1:30 p.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Szymczak  
Mr. Draper  
Mr. Evans  
Mr. Vardaman

Mr. Carpenter, Secretary  
Mr. Morrill, Special Adviser  
Mr. Thurston, Assistant to the Chairman

The action stated with respect to each of the matters hereinafter 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 5, 1946, were approved unanimously.

Letter to Mr. Gentry, First Vice President of the Federal Reserve Bank of Dallas, reading as follows:

"The Board of Governors approves the changes in the personnel classification plan of the Federal Reserve Bank of Dallas, involving the Personnel Department, as submitted with your letter of April 1, 1946."

Approved unanimously.

Letter to Mr. Parten, Chairman of the Federal Reserve Bank of Dallas, reading as follows:

"At the completion of the examination of the Federal Reserve Bank of Dallas, made as of February 5, 1946, 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 left for President Gilbert.

"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

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"to the examination, or as to action taken or to be taken as a result of the examination, will also be appreciated."

Approved unanimously.

Letter to Honorable Maple T. Harl, Chairman of the Federal Deposit Insurance Corporation, Washington, D. C., reading as follows:

"In accordance with the request contained in your letter of April 1, 1946, the Board of Governors of the Federal Reserve System hereby grants written consent, pursuant to the provisions of subsection (k)(2) of Section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make an examination of the Farmers and Merchants Bank, Mount Pleasant, Tennessee, in connection with its application for continuance of insurance after withdrawal from membership in the Federal Reserve System.

"There are no unfulfilled conditions nor incomplete corrective programs with respect to the member bank in connection with which the Board would suggest incorporation of conditions for continuing its status as an insured bank."

Approved unanimously.

Letter to "The First National Bank of Price," Price, Utah, reading as follows:

"This refers to the resolution adopted on July 6, 1945, by the board of directors of your bank, signifying the bank's desire to surrender its right to exercise fiduciary powers heretofore granted to it.

"The Board, understanding that your bank has never actually accepted or undertaken the exercise of any trust, has issued a formal certificate to your bank certifying that it is no longer authorized to exercise any of the fiduciary powers covered by the provisions of section 11(k) of the Federal Reserve Act, as amended. This certificate is enclosed herewith.

"In this connection, your attention is called to the fact that, under the provisions of section 11(k) of the Federal Reserve Act, as amended, when such a certificate has been issued by the Board of Governors of the Federal Reserve System to a national bank, such bank (1) shall no

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"longer be subject to the provisions of section 11(k) of the Federal Reserve Act or the regulations of the Board of Governors of the Federal Reserve System made pursuant thereto, (2) shall be entitled to have returned to it any securities which it may have deposited with the State authorities for the protection of private or court trusts, and (3) shall not exercise hereafter any of the powers granted by section 11(k) without first applying for and obtaining a new permit to exercise such powers pursuant to the provisions of section 11(k)."

Approved unanimously.

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

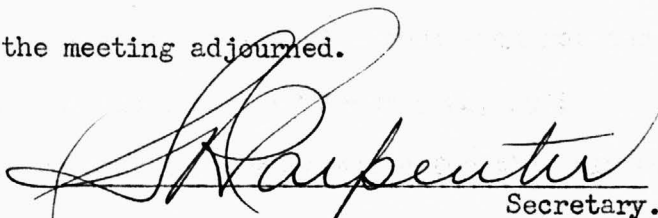
"For your information there is enclosed a copy of the Veterans Housing Program Order No. 1, issued by the Civilian Production Administration under date of March 26, 1946. There is also enclosed a brief memorandum regarding its effect on Reserve Bank construction.

"You will note that the Order sharply restricts most kinds of new construction, as well as alterations, repairs and installations, in order to divert materials to the veterans' housing program. It does this by requiring that a special authorization be obtained before beginning any construction, except certain kinds exempted by the Order.

"In view of the intent and purposes of the Order, the Board is of the opinion that it would not be appropriate for a Reserve Bank to seek an authorization except in an unusual or emergency situation, and even in such cases the Board will appreciate it if the Board's approval is obtained before application is made for authorization under the Order."

Approved unanimously.

Thereupon the meeting adjourned.

  
Secretary.

Approved:

  
Chairman.