

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, May 15, 1946, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Szymczak
Mr. Draper

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

As stated in the minutes of the meeting on May 8, 1946, Mr. Vardaman was absent on official business.

The action stated with respect to each of the matters hereinafter referred to was taken by the Board:

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

"Reference is made to your telegram of May 10, 1946, regarding the purchase of assets and assumption of deposit liabilities of The Flatbush National Bank of Brooklyn in New York, Brooklyn, New York, by the Manufacturers Trust Company, New York, New York.

"The Board of Governors concurs in your opinion that the transaction did not result in any change in the character of the assets of the trust company or broadening in the functions exercised by it within the meaning of condition of membership numbered 3 to which it is subject."

Approved unanimously.

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

"There have been forwarded to you today under separate cover, the indicated number of copies of the following forms, a copy of each of which is attached hereto, for use of State member banks and their affiliates in submitting reports as of the next call date:

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"Number of
Copies

"Form F. R. 105 (Call No. 102), Report of condition of State member bank.

"Form F. R. 105b (Revised August 1939), Loans and advances to affiliates and investments in and loans secured by obligations of affiliates.

"Form F. R. 105e (Revised November 1943), Publisher's copy of report of condition of State member bank.

"Form F. R. 105e-1 (Revised November 1943), Publisher's copy of report of condition of State member bank.

"Form F. R. 220 (Revised August 1935), Report of affiliate or holding company affiliate.

"Form F. R. 220a (Revised December 1938), Publisher's copy of report of affiliate or holding company affiliate.

"Form F. R. 220b (Revised February 1938), Instructions for preparation of reports of affiliates and holding company affiliates.

"The forms are the same as those used in submitting reports as of December 31, 1945. The changes mentioned in the Board's letter of May 2 will, as stated in that letter, be deferred until the end-of-year call. The instructions (form F. R. 105a) governing the preparation of reports of condition will be revised at that time to make them consistent with these changes. The part of the instructions relating to Schedule A, loans and discounts, will also be revised to make it clear that all loans to investment companies should (because of the nature of their business) be classified against item 6 of Schedule A. In the meantime, if in any case you have reason to believe that any loans to investment companies are being classified other than against item 6 in weekly or call condition reports, you might clarify this point to the member bank concerned."

Approved unanimously.

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Memorandum dated May 13, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, reading as follows:

"In January 1945, Professor Hansen issued transportation requests FR-27,493 and FR-27,497 for rail fare and pullman accommodation from Boston to Washington. FR-27,493 was issued for a drawing room and FR-27,497 was issued for additional one-quarter rail fare which additional fare is charged when a drawing room is singly occupied. The combined cost of the tickets between Boston and Washington on this trip exceeds that allowable (single bedroom) for Professor Hansen, by \$7.12. It is recommended that the Board authorize the payment of this additional expense incurred by Professor Hansen. The reason for the delay in bringing this matter to the Board's attention is that proper billings could not be obtained earlier from the carriers involved."

Approved unanimously.

Memorandum dated May 14, 1946, from Mr. Paulger, Director of the Division of Examinations, reading as follows:

"The attached expense voucher of Leroy Bengé covering the period May 1, 1946 to May 9, 1946 is being submitted to the Board because Mr. Bengé's resignation took effect before he arrived in New Orleans, his official headquarters, and, therefore, under the Board's travel regulations is not entitled to transportation expenses to New Orleans and per diem for May 8 and 9. Mr. Bengé resigned in Chicago effective May 7, 1946, and he apparently was unable to obtain travel accommodations until May 8.

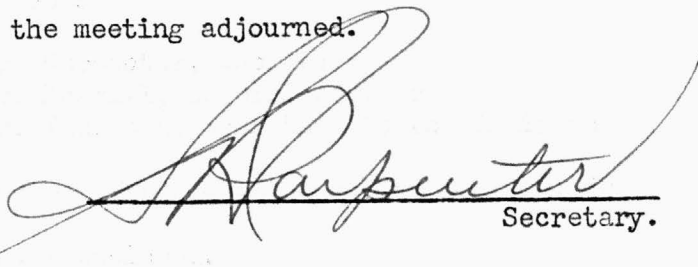
"It has been the Board's policy that when a field examiner leaves the force to return him to his official headquarters, at the Board's expense, before the effective date of his resignation. Due to the unusual circumstances, it is recommended that the voucher be paid in full."

Approved unanimously.

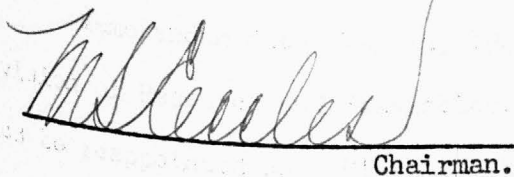
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Thereupon the meeting adjourned.


Secretary.

Approved:


Chairman.