

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, September 19, 1947.

PRESENT: Mr. Szymczak, Chairman pro tem
Mr. Draper
Mr. Vardaman

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Morrill, Special Adviser

Telegrams to the Federal Reserve Banks of New York, Philadelphia, Chicago, St. Louis, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Banks of St. Louis and San Francisco on September 17, by the Federal Reserve Banks of New York, Philadelphia, and Chicago on September 18, 1947, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated September 17, 1947, from Mr. Boothe, Assistant Director, Division of Administrative Services, recommending that Mr. Arthur P. Herdman be appointed as a general mechanic in that Division, on a temporary basis for a period of six months with basic salary at the rate of \$2,469.24 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination. The memorandum also stated that Mr. Herdman was a member of the Civil Service retirement system and that he would remain in that system.

Approved unanimously.

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

"Your telegram September 18. Board approves extension to December 24, 1947 of loan by your Bank to Banque de Grece not to exceed \$10,800,000 outstanding at any one time, such loan to be secured by gold earmarked in your vaults. It is understood that the loan is to be made on the terms and conditions outlined in your telegram of June 19, 1947 as follows:

A) Such loan to be made up to 98 per cent of the value of the refined gold bars held in your vaults as collateral;

B) Such loan to run for a maximum of three months or for a shorter period if Greek situation should afford an opportunity for earlier repayment;

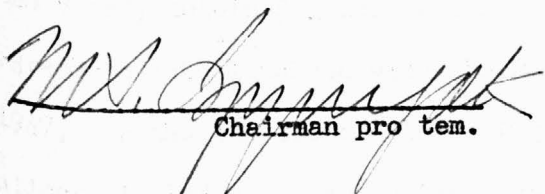
C) Such loan to bear interest for its duration at the discount rate of your Bank in effect on the date on which such loan is made.

"It is understood that the usual participation will be offered to the other Federal Reserve Banks."

Approved unanimously.


Secretary.

Approved:


Chairman pro tem.