

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, April 15, 1948.

PRESENT: Mr. Eccles, Chairman pro tem.
Mr. Szymczak
Mr. Draper
Mr. Evans
Mr. Vardaman
Mr. Clayton

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

Minutes of actions taken by the Board of Governors of the Federal Reserve System on April 14, 1948, were approved unanimously.

Telegram to Mr. Volberg, Vice President of the Federal Reserve Bank of San Francisco, reading as follows:

"Retel April 13, Board approves effective April 16, 1948, rate of 1-1/4 per cent on purchases of Government securities under resale agreement as authorized by Federal Open Market Committee. Otherwise Board approves rates of discount and purchase in your existing schedule, advice of which was contained in your telegram dated April 13."

Approved unanimously.

Memorandum dated April 12, 1948, from Mr. Carpenter recommending the appointment of Miss Elizabeth A. Bowes as a file clerk in the Office of the Secretary, on a temporary basis for a period not to exceed six months, with basic salary at the rate of \$2,093.04 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical

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examination. The memorandum also stated that Miss Bowes was a member of the Civil Service retirement system and would remain in that system.

Approved unanimously.

Memorandum dated April 9, 1948, from Mr. Bethea, Director of the Division of Administrative Services, recommending that Mrs. Della Payne, a cafeteria helper in that Division now on a temporary indefinite appointment, be included in the Federal Reserve retirement system.

Approved unanimously.

Letter to Mr. McCabe, Chairman of the Federal Reserve Bank of Philadelphia, reading as follows:

"It is needless to say that the members of the Board appreciate very greatly the outstanding service you have rendered while officially connected with the Federal Reserve Bank of Philadelphia and were it not for the fact that you are to become a member of the Board of Governors they would regret very much to have that association terminated.

"However, in anticipation of your assuming office this afternoon as Chairman of the Board of Governors, the Board has accepted your resignation, contained in your letter of this date, as Chairman and Federal Reserve Agent and Class C Director of the Federal Reserve Bank of Philadelphia, effective immediately, and wishes you every success in your new and important undertaking."

Approved unanimously.

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

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"This refers to Mr. Sheehan's letter of April 9, 1948, enclosing a copy of a letter from Mr. F. W. Bellamy stating that Mr. Bernon S. Prentice has not yet recovered from his illness sufficiently to be able to attend to the matter of bringing his interlocking relationship with the Fulton Trust Company and the firm of Dominick & Dominick into conformity with section 32 of the Banking Act of 1933. Mr. Bellamy requests the Board's permission to postpone the matter further for a month and we note that your Bank favors the granting of such request.

"In the circumstances, the Board grants the request contained in Mr. Bellamy's letter. It will be appreciated if you will keep the Board advised concerning this matter."

Approved unanimously.

Letter to Mr. Diercks, Vice President of the Federal Reserve Bank of Chicago, reading as follows:

"This refers to your letter of April 9, 1948, addressed to our Mr. Leonard, and submitting a request from Mr. Chester D. Seftenberg, Vice President and Trust Officer of the First and American National Bank of Duluth, Duluth, Minnesota, for the names of banks which have recently closed or opened trust departments. It is understood that Mr. Seftenberg desires to obtain from those banks specific information as to why each of them took such action.

"The Board feels that the information requested is not of a confidential nature, and sees no reason why you should not comply with Mr. Seftenberg's request if you wish to do so."

Approved unanimously.

Letter to Mr. Maple T. Harl, Chairman of the Federal Deposit Insurance Corporation, reading as follows:

"Reference is made to your letter of April 7 regarding a proposal to audit the Certified Statements

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"submitted for assessment purposes by insured banks in the States of Ohio and Pennsylvania with deposits of over \$10 million.

"In accordance with your request, the Board assents to this proposal, so far as State member banks are concerned, and in order that our office and field staffs may be advised of the extension of your program copies of your letter have been forwarded to the Federal Reserve Banks of Philadelphia and Cleveland and circulated among the Board's staff.

"The Board is pleased to learn that up to this time no discrepancies in the Certified Statements of State member banks in the States of Illinois, Indiana, Iowa, Michigan, and Wisconsin, which have been covered in the experimental program, have been found which were thought of sufficient importance to be brought to the attention of the Board or the Federal Reserve Banks.

"It is noted that the project is still regarded by your Corporation as being in the experimental stage and that it is your opinion that, until the Statements of a larger proportion of the State banks can be covered, no conclusions can be reached as to the desirability of extending the program to insured banks generally. The Board appreciate your advice that, should your Corporation later decide to extend the program generally, it is your purpose to go over the matter in detail with the Board's representatives before undertaking to carry out such a program."

Approved unanimously.

Telegram prepared for Chairman Eccles' signature to Mr. Carl G. Breeze, President, Colorado Bankers Association, Bank of Kremmling, Kremmling, Colorado, reading as follows:

"Board of Governors understands that officers of your Association will be in Washington on April 27-29. The members of the Board will be delighted if the members of your group will join us for luncheon at the Board's offices on Thursday, April 29, at one o'clock, at which time the officers of the Ohio Association will

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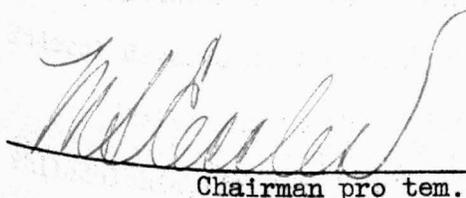
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"also be here. Most of the members of the Board will be in Washington at that time and they will be looking forward to your visit."

Approved unanimously.


Secretary

Approved:


Chairman pro tem.