

7/21/48
Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, July 21, 1948.

PRESENT: Mr. McCabe, Chairman
Mr. Szymczak
Mr. Evans
Mr. Vardaman

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Thurston, Assistant to the Board

Minutes of actions taken by the Board of Governors of the Federal Reserve System on July 20, 1948, were approved unanimously.

Memorandum dated July 16, 1948, from Mr. Thomas, Director of the Division of Research and Statistics, recommending the appointment of Miss Georgiana B. Grimball as a clerk in that Division, on a temporary indefinite basis, with basic salary at the rate of \$2,284 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination. The memorandum also stated that it was contemplated that Miss Grimball would become a member of the Federal Reserve retirement system.

Approved unanimously.

Memorandum dated July 20, 1948, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that the resignation of Miss Mae J. Stohlman, a clerk-stenographer in that Division, be accepted to be effective, in accordance with her request, at the close of business July 30, 1948, with the

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understanding that a lump sum payment would be made for annual leave remaining to her credit as of that date.

Approved unanimously.

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

"In accordance with the request contained in your letter of July 15, 1948, the Board approves the appointment of Loring Campbell Nye as an assistant examiner for the Federal Reserve Bank of Boston.

"It is assumed that, as reported in your letter of March 5, 1948, Mr. Nye has no outside business connections and that his only indebtedness is the savings bank loan on his home.

"Please advise us of the date upon which the appointment becomes effective."

Approved unanimously.

Letter to the board of directors of "The Waddington Bank", Waddington, New York, stating that, subject to conditions of membership numbered 1 and 2 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 New York.

Approved unanimously, together with a letter to Mr. Sproul, President of the Federal Reserve Bank of New York, reading as follows:

"The Board of Governors of the Federal Reserve System approves the application of The Waddington Bank, Waddington, New York, 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 Superintendent of Banks for the State of New York, for his information.

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"It is assumed that you will follow the matter of bringing into conformity with the law and the Board's regulations the savings accounts listed on page 16 of the report of examination for membership."

Letter to the board of directors of "The Metamora State Bank", Metamora, Ohio, stating that, subject to conditions of membership numbered 1 and 2 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 Cleveland.

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

"The Board of Governors of the Federal Reserve System approves the application of The Metamora State Bank, Metamora, Ohio, 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 Superintendent of Banks for the State of Ohio for his information.

"It is assumed that you will follow the matter of the bank's bringing into conformity with the provisions of law and the Board's regulations, the savings account mentioned on page 16 of the report of examination for membership."

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

"Reference is made to your letter of July 16, 1948, concerning the proposed purchase of assets and assumption of deposit liabilities of the Columbus Trust Company, Newark, New Jersey, by the United States Trust

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"Company of Newark, Newark, New Jersey, which is to be made effective July 23, 1948.

"It is noted that, in your opinion, the transaction will not result in a change in the general character of the assets of the United States Trust Company or in the scope of the corporate powers exercised by it, such as to bring it within the purview of condition of membership numbered 1 to which the trust company is subject. You point out that the trust company is also subject to a condition of membership numbered 5, however, which provides, in part, that: 'Except after applying for and receiving the permission of the Federal Reserve Board, you shall not consolidate with or absorb or purchase the assets of any other bank or branch bank for the purpose of operating such bank or branch bank as a branch of the applying bank...'

"In view of the application submitted by the United States Trust Company of Newark in its letter of July 15, 1948, and your recommendation, the Board of Governors grants permission for the purchase of assets of the Columbus Trust Company as proposed and the operation of the three offices of the Columbus Trust Company in Newark as branches of the United States Trust Company."

Approved unanimously.

Letter to Mr. Woolley, Vice President of the Federal Reserve Bank of Kansas City, reading as follows:

"Reference is made to your letter of July 17, 1948, recommending that the Board of Governors interpose no objection to the proposed additional investment of approximately \$45,000 in banking premises by the Bank of Carthage, Carthage, Missouri, of which about \$30,000 is to be capitalized.

"It is noted that the present carrying value of the bank's investment in banking premises is, roughly, \$38,000 and that the proposed addition to carrying value will bring the aggregate to \$68,000. As the bank has common capital stock amounting to \$150,000, it appears that the proposed investment would be subject to approval under the authority granted in the Board's letter of February 11, 1947, (S-960; F.R.L.S. #3514). However, in view of your recommendation, the Board interposes no objection to the proposed investment."

Approved unanimously.

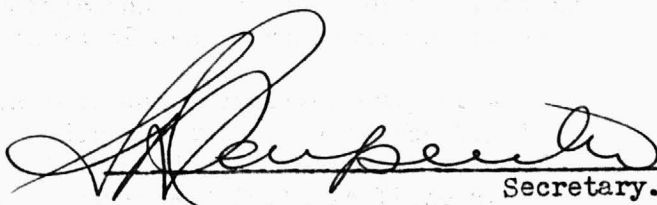
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Letter to Mr. Knoke, Vice President of the Federal Reserve
Bank of New York, reading as follows:

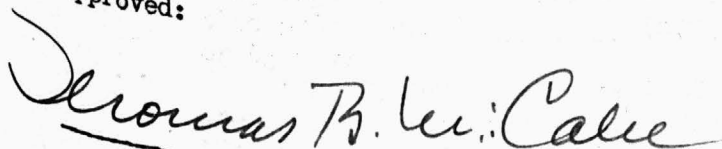
"In response to the request in your letter of July 16 the Board of Governors approves the opening and maintenance of an account on the books of your Bank in the name of the Bank deutscher Laender to be designated 'Bank deutscher Laender, remittance account'. It is understood that the institution named performs the functions of a central bank, that the account will be subject to the usual terms and conditions upon which your Bank maintains accounts for foreign central banks and that the usual participation in the account will be offered to the other Federal Reserve Banks."

Approved unanimously.



Secretary.

Approved:



Chairman.