Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, December 30, 1948.

Present: Mr. McCabe, Chairman
Mr. Szymczak
Mr. Draper
Mr. Evans
Mr. Vardaman
Mr. Clayton
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 December 29, 1948, were approved unanimously.

Letter to Mr. Creighton, Federal Reserve Agent of the Federal Reserve Bank of Boston, reading as follows:

"In accordance with the request contained in your letter of December 27, 1948, the Board of Governors approves, effective December 29, 1948, the payment of salaries to the following members of the Federal Reserve Agent's staff at the rates indicated:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clifford E. Morrissey</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>$4,300</td>
</tr>
<tr>
<td>John F. Mooney</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>6,400</td>
</tr>
<tr>
<td>Lewis E. Stoyle</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Approved unanimously.

Letter to Mr. Stevens, Federal Reserve Agent of the Federal Reserve Bank of New York, reading as follows:
"In accordance with the request contained in your letter of December 28, 1948, the Board of Governors approves, effective January 1, 1949, the payment of salaries to the following members of the Federal Reserve Agent's staff at the rates indicated:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jere V. D. Stryker</td>
<td>Assistant Federal Reserve Agent</td>
<td>$8,635</td>
</tr>
<tr>
<td>Mrs. Edna K. Reynolds</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>4,975</td>
</tr>
<tr>
<td>Gerard R. Lister</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>4,797</td>
</tr>
</tbody>
</table>

Approved unanimously.

Telegram to Mr. J. Brockenbrough Woodward, Jr., Newport News Shipbuilding and Dry Dock Co., Newport News, Virginia, reading as follows:

"Board of Governors of the Federal Reserve System has appointed you a Class C Director of the Federal Reserve Bank of Richmond for the unexpired portion of term ending December 31, 1949 and Deputy Chairman of Bank for year 1949.

"Federal Reserve Act provides that no Director of Class C shall be an officer, director, employee, or stockholder of any bank. Your acceptance by collect telegram will be appreciated and the Board hopes you will qualify to take your oath of office as promptly as possible."

Approved unanimously.

Letter to Mr. Winthrop W. Aldrich, Chairman of the Board of Directors, The Chase Bank, Pine Street Corner Nassau, New York 15, New York, reading as follows:

"There is enclosed a copy of the report of examination of the Head Office of The Chase Bank, New York, New York, made as of October 31, 1948, by
"examiners for the Board of Governors of the Federal Reserve System. The figures for the foreign branches shown in the combined statement of condition, as well as the figures for The Chase National Executors and Trustees Corporation Limited of London and Union Provinciale Immobiliere of Paris, were supplied by the Head Office.

"Your courtesy in acknowledging receipt of the report will be appreciated."

Approved unanimously.

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

"This refers to your letter of December 21, 1948, stating that the Camden Trust Company, Camden, New Jersey, is desirous of electing to a vacancy on its board of directors Mr. Geo. B. Rebmann, a general partner of Laird, Bissell & Meeds, and, in this connection, you inquire whether such contemplated service would be contrary to section 32 of the Banking Act of 1933, as amended. Of course, the answer to this question depends upon whether the firm of Laird, Bissell & Meeds is primarily engaged in the types of business described in section 32.

"On the basis of the information enclosed with your letter, it appears that the dollar volume of the firm's underwriting and distributing business for the past four years has averaged slightly more than $9,000,000 a year; that the percentage ratio of such dollar volume to the dollar volume of the firm's total business has averaged 5.9 per cent for each of the past four years; that the percentage ratio of underwriting income to total gross income of the firm has averaged slightly over 11 per cent for each of the past four years; and that the amount of underwriting and distributing transacted by the home office at Wilmington constitutes about 50 per cent of this type of business done by all security firms in Wilmington. These facts indicate that the firm is primarily engaged in the business described in section 32 and, therefore, the proposed service of Mr. Rebmann would not be permissible."
"You may advise the Camden Trust Company accordingly."

Approved unanimously.

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

"The Board of Governors concurs in the action of the recent Presidents' Conference approving the recommendation of the Committee on Fiscal Agency Operations that the Reserve Banks agree, with certain qualifications, to absorb expenses incurred in paying card checks as Agent of the Treasurer, as proposed by Fiscal Assistant Secretary of the Treasury Bartelt. Accordingly, effective January 1, 1949, the Federal Reserve Banks should not request reimbursement for any expenses in connection with operations under the 'Government Checks Payable through Own Office' and 'Government Checks Payable through Other Federal Reserve Offices' units. There is enclosed a copy of the Board's letter to Mr. Bartelt with respect to this matter.

"Mr. Bartelt has advised that the Treasurer's Office will continue to furnish the Reserve Banks with the necessary tabulating equipment and attachments, and to arrange for the servicing thereof; also that it will continue to furnish replacement cards, cardboard boxes for shipping checks, forms for listing checks, and any Treasury forms which it now stocks and furnishes the Banks, including Government bills of lading for use in shipping tabulating equipment and paid checks.

"Pages 114 and 116 of the Manual of Instructions Governing the Preparation of Functional Expense Reports are being revised and copies thereof will be forwarded to you when available."

Approved unanimously.

Letter to Mr. Neely, Chairman of the Federal Reserve Bank of Atlanta, reading as follows:

"Since receiving your letter of November 18, 1948, addressed to Chairman McCabe and your subsequent letter
dated December 17 to Governor Vardaman, the Board has given careful consideration to the desire of the directors of your Bank and its Jacksonville Branch that the back of the building be placed on the lot line, leaving 50 feet in front of the building for landscaping.

"It is noted that you state in your letter of December 17 to Governor Vardaman that the parking lot on Hogan Street is ample for the Bank's needs and that there is no reason why that parking lot, which is owned by the Bank, cannot amply take care of the employees of the Bank. It has been the understanding of the Board that if and when a building is constructed on the Julia Street lot the present property owned by the Bank on Hogan Street, including the parking lot, would be sold. It is quite probable that the sale of the Hogan Street property would be greatly facilitated if the land now used as a parking lot were sold with it.

"While the Board would like very much to go along with the directors of your Bank and the Jacksonville Branch in this matter, it does not feel that it can justifiably approve a program which it feels would not, in all circumstances, be for the best interests of the Branch. In view of all the circumstances, the Board believes it would be best to defer further consideration of the plans for the new building until economic conditions justify the actual construction. By such time the question of the future widening of the street on which the building will be located may be settled."

Approved unanimously.

Approved:

[Signature]

Secretary.

[Signature]

Chairman.