

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, April 1, 1949.

PRESENT: Mr. Draper, Chairman pro tem.
Mr. Clayton

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

Telegrams to the Federal Reserve Banks of Chicago, St. Louis, Kansas City, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on March 29, by the Federal Reserve Bank of St. Louis on March 30, by the Federal Reserve Bank of Chicago on March 31, and by the Federal Reserve Banks of Kansas City and Dallas on April 1, 1949 of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated March 31, 1949, from Mr. Thomas, Director of the Division of Research and Statistics, recommending an increase in the basic salary of Miss Sylvia Levinson, an economist in that Division, from \$3,225.60 to \$3,727.20 per annum, effective April 3, 1949.

Approved unanimously.

Memorandum dated March 29, 1949, from Mr. Nelson, Director of the Division of Personnel Administration recommending an

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increase in the basic salary of Mrs. Dorothy V. Wright, clerk-typist in that Division, from \$2,648.76 to \$2,724.00 per annum, effective April 3, 1949.

Approved unanimously.

Memorandum dated April 1, 1949, from Mr. Boothe, Assistant Director of the Division of Administrative Services, recommending that the resignation of Clyde Divers, a laborer in that Division, be accepted to be effective, in accordance with his request, at the close of business March 31, 1949.

Approved unanimously.

Letter to Mr. Fletcher, First Vice President of the Federal Reserve Bank of Cleveland, reading as follows:

"For the reasons outlined in your letter of March 23, 1949, the Board of Governors approves the payment of salary to Joseph Schneider, a Porter at the Cincinnati Branch, at the rate of \$2,400 per annum which is in excess of the maximum of the grade in which his position is classified."

Approved unanimously.

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

"In accordance with the request contained in your letter of March 28, 1949, the Board approves the designation of W. T. Eddins, formerly an assistant examiner for the Federal Reserve Bank of Atlanta, as a special assistant examiner for the Federal Reserve Bank of Atlanta."

Approved unanimously.

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Letter to "The First National Bank of Marion", Marion, Iowa, reading as follows:

"The Board of Governors of the Federal Reserve System has given consideration to your application for fiduciary powers, and grants you authority to act, when not in contravention of State or local law, as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity in which State banks, trust companies or other corporations which come into competition with national banks are permitted to act under the laws of the State of Iowa, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Board of Governors of the Federal Reserve System.

"This letter will be your authority to exercise the fiduciary powers granted by the Board pending the preparation of a formal certificate covering such authorization, which will be forwarded to you in due course."

Approved unanimously for
transmission through the Federal
Reserve Bank of Chicago.

Letter to Mr. S. B. Straske, Assistant Secretary-Treasurer, Time Finance Company, Marion E. Taylor Building, Louisville, Kentucky, reading as follows:

"This refers to your letter of March 18, 1949, concerning Amendment No. 3 to Regulation W. You inquire whether the regulation, as amended, permits a Registrant, without writing a new contract, to extend from 15 months to 20 or 21 months the maturity of an obligation subject to the regulation and entered into prior to March 7, 1949, the effective date of Amendment No. 3, and reduce accordingly the instalment payments previously scheduled for the unpaid balance of the obligation.

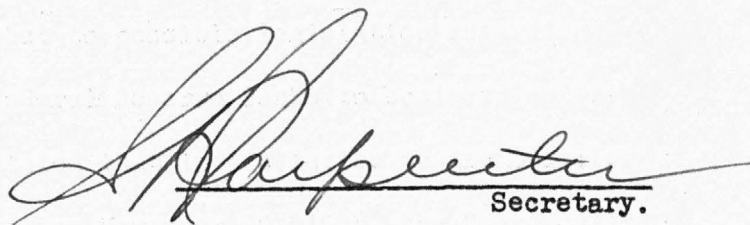
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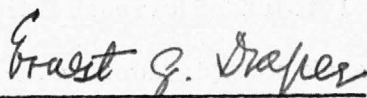
"While an extension of maturity and consequent reduction in instalment payments such as you propose would constitute a 'renewal or revision' subject to section 5(a) of the regulation, the question whether an obligation should or should not be so modified is left by the regulation to be decided by the parties themselves. In such a case, the regulation does not require the execution of a new, formal contract. Sections 4(c) and 8(a), however, require that the Registrant make and preserve a record setting forth the revised terms of payment.

"As you may know, the administration of the regulation has been decentralized among the Federal Reserve Banks and their branches. Therefore, you may find it more convenient to address such future questions under the regulation as you may have to the Louisville Branch of the Federal Reserve Bank of St. Louis. A copy of the regulation and the amendments thereto are enclosed herewith."

Approved unanimously.


Secretary.

Approved:


Chairman pro tem.