Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, April 11, 1949.

PRESENT: Mr. McCabe, Chairman
Mr. Szymczak
Mr. Draper
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 8, 1949, were approved unanimously.

Mr. Carpenter reported that the Comptroller of the Currency would issue a call on April 13, 1949, on all national banks for reports of condition as of the close of business on April 11, 1949, and that, in accordance with the usual practice, a call would be made on April 13, 1949, on behalf of the Board of Governors of the Federal Reserve System on all State member banks for reports of condition as of April 11, 1949.

The call to be made on behalf of the Board on April 13, 1949, was approved unanimously.

Memorandum dated April 11, 1949, from Mr. Leonard, Director of the Division of Bank Operations, recommending that the resignation of Mrs. Florence K. Weiner, a clerk-stenographer in that Division, be accepted, to be effective, in accordance with her request, at the close of business on April 8, 1949.

Approved unanimously.
Memorandum dated April 11, 1949, from Mr. Bethea, Director of the Division of Administrative Services, recommending the appointment of Mrs. Ruth Buck as a page in that Division, on a temporary basis for a period of one month, with basic salary at the rate of $2,284.00 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination.

Approved unanimously.

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

"In accordance with the request contained in your letter of April 5, 1949, the Board approves the designation of James W. Dodd, Jr., formerly an examiner for the Federal Reserve Bank of Richmond, as a special examiner for the Federal Reserve Bank of Richmond."

Approved unanimously.

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

"In compliance with the request in your telegram of April 7 the Board approves the opening and maintenance of an account on your books for and in the name of the Banque de Syrie et du Liban, subject to the usual terms and conditions upon which you maintain accounts for foreign central banks. It is understood that you will in due course offer participation in this account to the other Federal Reserve Banks."

Approved unanimously.

Telegram to Mr. Schlaikjer, Vice President of the Federal Reserve Bank of Boston, reading as follows:
"This refers to your letter of April 8, to Mr. Oscar W. Hausermann's letter of April 8, and Mr. Hausermann's telegram of April 11, all addressed to Mr. Vest relating to the proposal of Shareholders' Trust of Boston to issue certain of its shares and whether in the circumstances such Trust is primarily engaged in the business described in section 32 of the Banking Act of 1933.

"In the Board's letter to Mr. Whittemore dated November 7, 1947, it was held that the Shareholders' Trust of Boston was not then primarily engaged in the business described in section 32 but that in the event of any future issuance of shares the question of the applicability of such provision of law would be reconsidered in the light of the facts then existing.

"It is understood that since the original offering in 1948 of shares of the Trust none of the shareholders have offered their shares for repurchase and no new shares have been sold or issued, and that the Trust now proposes to sell 250,000 shares to a group of underwriters with respect to which the underwriters propose to make a public offering of such shares on April 14, 1949, the sale period being limited to thirty days.

"It is understood from Mr. Hausermann's telegram to Mr. Vest that the Trust does not have in contemplation any additional offering of its shares after completion of the offering of 250,000 shares referred to above and does not have in contemplation any plan of periodic offerings. We also note the assurance given by Mr. Hausermann that if in the future any additional offering of Trust shares comes before the Board of Trustees for consideration the matter will be taken up in advance with the Board of Governors of the Federal Reserve System.

"In these circumstances and in the light of the understandings and assurances referred to above, you may advise Mr. Hausermann that the Board does not at this time regard Shareholders' Trust of Boston as being primarily engaged in the business described in section 32. Also advise him that in the event of any future issuance of shares the question of the applicability of the law will be reconsidered by the Board in the light of the facts then existing."

Approved unanimously.

Approved:  

[Signature]

Secretary.

[Signature]

Chairman.