

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, October 21, 1949.

PRESENT: Mr. McCabe, Chairman
Mr. Draper
Mr. Vardaman

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

Telegrams to the Federal Reserve Banks of Boston, New York, Philadelphia, Atlanta, Chicago, Kansas City, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Banks of Dallas and San Francisco on October 18, by the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Kansas City on October 20, 1949, and by the Federal Reserve Bank of Boston today of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated October 21, 1949, from Mr. Carpenter, Secretary of the Board, recommending the appointment of Miss Mary Louise McIntosh as a file clerk in the Office of the Secretary on a temporary basis for a period of six months, with basic salary at the rate of \$2,573.52 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.

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Memorandum dated October 14, 1949, from Mr. Carpenter, Secretary of the Board, recommending an increase in the basic salary of Earle J. Wade, Secretary to Mr. Sherman, from \$2,974.80 to \$3,100.20 per annum, effective October 30, 1949.

Approved unanimously.

Letter to the Organizers of the "Bank of Allwood", Clifton, New Jersey, 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, effective if and when the bank is authorized to commence business by the appropriate State authorities. The letter also contained the following special condition:

"3. At the time of admission to membership, such bank shall have a paid-up and unimpaired capital stock of not less than \$225,000 and surplus of not less than \$60,000."

Approved unanimously, for transmission through the Federal Reserve Bank of New York.

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

"Reference is made to your letter of October 17, 1949, submitting a certified copy of a resolution adopted by the Board of Directors of "Northern Bank and Trust Company", Lancaster, Pennsylvania, signifying its intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice usually required.

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"In view of your favorable recommendation the Board of Governors waives the usual requirement of six months' notice as requested. Accordingly, the Federal Reserve Bank stock issued to Northern Bank and Trust Company, Lancaster, Pennsylvania, may be cancelled and appropriate refund made thereon by the Federal Reserve Bank.

"Please advise the Board of Governors when cancellation is effective and refund is made. The Certificate of Membership issued to the bank should be obtained, if possible, and forwarded to the Board. The State banking authorities should be advised of the bank's proposed withdrawal from membership and when it has been effected."

Approved unanimously.

Letter to Mr. Edison H. Cramer, Chief of the Division of Research and Statistics, Federal Deposit Insurance Corporation, reading as follows:

"This refers to your letter of September 12, 1949, and to Mr. Warburton's letter of September 27 and telephone conversations with Mr. Horbett, all regarding publication in a volume of statistics compiled by Mr. Warburton of certain Federal Reserve Bank and all operating bank statistics, most of which have been supplied heretofore for internal use of your organization.

"It is understood that all of the Federal Reserve items involved have been shown in the Board's publications, but that some of them have not been published for certain dates for which they will be shown in Mr. Warburton's publication. The items mentioned in sub-paragraph (c) of your letter, while not published by the Board, are merely estimates made in support of some statistics published in Banking and Monetary Statistics. There is no objection to publication of the material referred to."

Approved unanimously.

Statement and Order in the matter of Transamerica Corporation's "Notice and Demand for Production of Papers in the Board's Files", dated September 10, 1949, reading as follows:

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"UNITED STATES OF AMERICA
BEFORE THE
"BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
IN THE MATTER OF
TRANSAMERICA CORPORATION
SUPPLEMENTARY STATEMENT AND ORDER ON
RESPONDENT'S DEMAND FOR PRODUCTION OF PAPERS
FROM THE BOARD'S FILES

"Following the filing with the Board of respondent's 'Notice and Demand for Production of Papers in the Board's Files', dated September 10, 1949, the Board issued, under date of September 30, 1949, its 'Statement and Order on Respondent's Demand for Production of Papers from the Board's Files'.

"Pursuant to said Statement and Order, there were sent to respondent, among other things, a certified copy of each of four statistical tables which had been forwarded to the Board by the Office of the Comptroller of the Currency following the Board's reference to that Office of the requests for the statistical information mentioned in Item (7) of respondent's Notice.

"The Office of the Comptroller of the Currency now has supplied additional statistical information of the character mentioned in Item (7) of respondent's Notice.

"Without passing upon the relevance or admissibility thereof, but in the interest of affording respondent every reasonable opportunity to prepare and present its defense to the Board's Complaint, the Board is ordering that there be sent to respondent certified copies of said additional statistical information.

ORDER

"It is ORDERED that the Secretary to the Board prepare and forward to counsel for respondent and to the Solicitor for the Board, in further response to Item (7) of respondent's above-mentioned Notice, a certified copy of each of three statistical tables or schedules received by the Board from the Office of the Comptroller of the Currency, such tables or schedules being headed, respectively, 'Summary of branch applications received for the States in the Twelfth Federal Reserve District and actions thereon as shown by the files and records of the Office of the Comptroller of the Currency for the period November 1, 1938 to October 1,

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"1949", 'Schedule of branch applications received annually for the States in the Twelfth Federal Reserve District and actions thereon as shown by the files and records of the Office of the Comptroller of the Currency for the period November 1, 1938 to October 1, 1949', and 'Schedule of branch applications received for the United States as a whole and actions thereon as shown by the files and records of the Office of the Comptroller of the Currency for the period November 1, 1938 to October 1, 1949."

"This 21st day of October 1949.

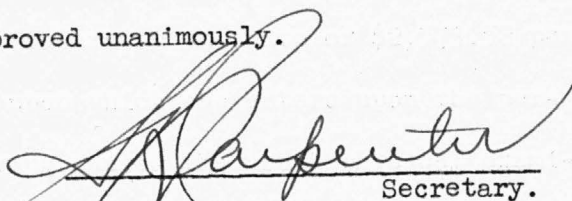
"By the Board.

(SEAL)

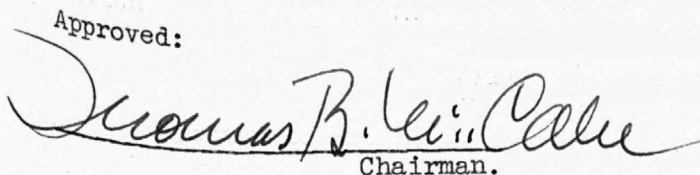
(signed S. R. Carpenter
Secretary.

"Governors Eccles and Clayton took no part in the consideration or entry of the foregoing Supplementary Statement and Order."

Approved unanimously.


Secretary.

Approved:


Chairman.