

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, November 2, 1949.

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

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 November 1, 1949, were approved unanimously.

Memorandum dated November 1, 1949, from Mr. Nelson, Director of the Division of Personnel Administration, recommending that the resignation of Mrs. Mary Rose Arnold, stenographer in Mr. Eccles' office, be accepted to be effective, in accordance with her request, at the close of business October 29, 1949.

Approved unanimously.

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

"Reference is made to your letter of October 26, 1949, in which you request the Board to approve the payment of salary to an employee at the Head Office, Alonzo D. Hamilton, for a period of fifteen to eighteen months at rates below the minimum of the salary grade in which his job is classified.

"One of the principles underlying the institution of the classification plans was that employees should receive equitable pay for the work which they perform. It appears from your letter that Mr. Hamilton's duties

11/2/49

-2-

"are those of a window washer and it seems that, irrespective of the salary he may have been receiving on an entirely different job, he should now receive the minimum pay established for the grade in which his current job is rated.

"On the basis of information submitted in your letter, therefore, the Board would not feel justified in approving the payment of a below-minimum salary for an extended period, but does approve the payment of salary to Mr. Hamilton at a below-minimum rate for a period not to extend beyond April 1, 1950."

Approved unanimously.

Letter to Mr. Schelling, Assistant Federal Reserve Agent at the Federal Reserve Bank of Chicago, reading as follows:

"In accordance with the request contained in Mr. Young's letter of October 26, 1949, the Board of Governors approves the appointment of Mr. Clarence W. Kolz as Alternate Assistant Federal Reserve Agent at his present salary of \$5,000 per annum.

"This approval is given with the understanding that Mr. Kolz will be placed upon the Federal Reserve Agent's pay roll and will be solely responsible to him or, during a vacancy in the office of the Agent, to the Assistant Federal Reserve Agent, and to the Board of Governors, for the proper performance of his duties. When not engaged in the performance of his duties as Alternate Assistant Federal Reserve Agent he may, with the approval of the Federal Reserve Agent or, during a vacancy in the office of the Federal Reserve Agent, of the Assistant Federal Reserve Agent, and the President, perform such work for the Bank as will not be inconsistent with his duties as Alternate Assistant Federal Reserve Agent.

"Mr. Kolz should execute the usual oath of office which should be forwarded to the Board of Governors together with advice as to the effective date of his appointment."

Approved unanimously.

11/2/49

-3-

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

"Reference is made to your letter of October 25, 1949, enclosing a letter from The City Bank of Washington, Washington, D. C., and certified copy of a resolution adopted by the board of directors of that institution on October 12, 1949, signifying its intention to withdraw from membership in the Federal Reserve System and requesting waiver of the six months' notice of such withdrawal.

"As requested, the Board of Governors waives the requirement of the six months' notice. Accordingly, upon surrender of the Federal Reserve Bank stock issued to The City Bank of Washington, Washington, D. C., you are authorized to cancel such stock and make appropriate refund thereon. Since the bank has arranged for a continuance of deposit insurance after withdrawal from membership, it will have four months from the date of this letter to effect withdrawal. (F.R.L.S.#3548)

"Please advise when cancellation is effected and refund is made. The certificate of membership issued to the bank should be obtained, if possible, and forwarded to the Board. The Comptroller of the Currency should be advised of the bank's proposed withdrawal from membership and the date such withdrawal becomes effective."

Approved unanimously.

Letter to Mr. Whittier, Chairman of the Federal Reserve Bank of Philadelphia, reading as follows:

"At the completion of the examination of the Federal Reserve Bank of Philadelphia, made as of August 2, 1949, by the Board's examiners, a copy of the report of examination was left for your information and that of the directors. A copy was also left for President Williams.

"The Board will appreciate advice that the report has been considered by the Board of Directors. Any

11/2/49

-4-

"comments you may care to offer regarding discussions with respect to the examination, or as to action taken or to be taken as a result of the examination, will also be appreciated."

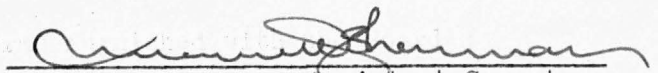
Approved unanimously.

Memorandum dated November 1, 1949, from Mr. Hooff, Assistant Counsel, recommending that there be published in the law department of the November issue of the Federal Reserve Bulletin statements in the form attached to the memorandum with respect to the following subjects:

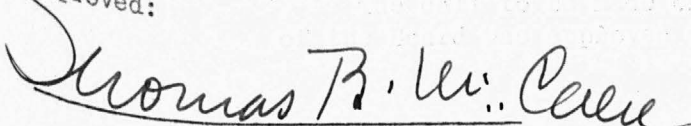
Salary of Board Members
Amendments to Sections 10 and 12B

National Bank Real Estate Loans
Amendment to Section 24

Approved unanimously.


Assistant Secretary.

Approved:


Chairman.

