

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Tuesday, November 29, 1949.

PRESENT: Mr. McCabe, Chairman  
 Mr. Eccles  
 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 November 28, 1949, were approved unanimously.

Memorandum dated November 25, 1949, from Mr. Thomas, Economic Adviser to the Board, recommending that Vendel O. Jeffries, a laborer in the Division of Administrative Services, be transferred to the Division of Research and Statistics as a messenger, with basic salary at the rate of \$2,252 per annum, effective November 28, 1949. The memorandum also stated that the Division of Administrative Services was agreeable to this transfer.

Approved unanimously.

Letter to Mr. Logan, Vice President and General Counsel of the Federal Reserve Bank of New York, reading as follows:

"Reference is made to your letter of November 23, 1949, submitting the request of the Nassau County Trust

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"Company, Mineola, New York, for permission to establish a branch in Sea Cliff, New York, in connection with its proposal to absorb The State Bank of Sea Cliff, N. Y., through merger.

"It is understood that the approval of the appropriate State authorities has been obtained and, in view of your recommendation, the Board of Governors approves the establishment and operation of a branch in Sea Cliff, New York, by the Nassau County Trust Company, Mineola, New York, provided the proposed merger with The State Bank of Sea Cliff, N. Y., is completed substantially in accordance with the plan submitted and with the understanding that counsel for the Reserve Bank will review and satisfy himself as to the legality of all steps taken to effect the merger and establish the branch."

Approved unanimously.

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

"Reference is made to your letter of November 16, 1949, submitting the application of the North Shore Bank, Miami Beach, Florida, for permission to exercise fiduciary powers.

"In view of the Reserve Bank's recommendation and the information submitted, the Board of Governors of the Federal Reserve System grants the applicant permission, under the provisions of its condition of membership numbered 1, to exercise the fiduciary powers now or hereafter authorized under the terms of its charter and the laws of the State of Florida.

"You are requested to advise the North Shore Bank, Miami Beach, Florida, of the Board's action."

Approved unanimously.

Letter to Mr. Berge, Secretary and Assistant Counsel of the Federal Reserve Bank of Boston, reading as follows:

"This refers to your letter of November 22, 1949,

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"enclosing a letter from Mr. Paul C. Cabot, President of State Street Investment Corporation, setting forth various alternative plans for handling the details of the distribution of the proposed offering of stock of State Street Investment Corporation which was the subject of our letter to you dated November 8, 1949.

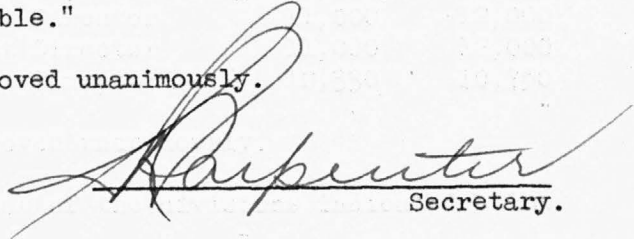
"We note the statement contained in your letter that the alternative plans would not alter in any material respect the essential nature of the proposed stock offering; that such plans are only concerned with the details of distributing the unsubscribed portion of the total offering; and that in your opinion the adoption of such plans would not cause it to become subject to section 32 of the Banking Act of 1933. The Board sees no reason to differ with your views as expressed in your letter of November 22, 1949."

Approved unanimously.

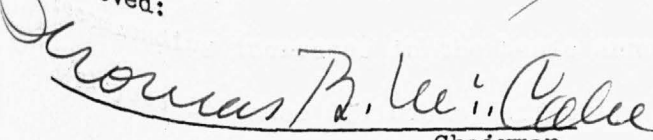
Telegram to Mr. Earhart, President of the Federal Reserve Bank of San Francisco, reading as follows:

"Re your letter November 22, 1949, Board approves proposal for arbitration of matter in dispute between your Bank and Kuney Johnson Company in accordance with conditions outlined in your letter and its enclosures and with understanding that Judge Lloyd L. Black or any other Judge of United States District Court would act as sole arbitrator. It is assumed that your counsel is satisfied that award made under such proceedings would be legally enforceable."

Approved unanimously.

  
Secretary.

Approved:

  
Chairman.