Minutes of actions taken by the Board of Governors of the Federal Reserve System on Tuesday, December 13, 1949.

PRESENT: Mr. McCabe, Chairman
Mr. Eccles
Mr. Szymczak
Mr. Draper
Mr. Vardaman
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 December 12, 1949, were approved unanimously.

Memorandum dated December 12, 1949, from Mr. Carpenter, Secretary of the Board, recommending an extension of the arrangement through December 21, 1949, under which Carl E. Parry is employed as a consultant to the Board on a part time basis, with the understanding that his compensation would be at the rate of $35 per day worked, and that the budget of the Secretary's Office would be increased by an amount sufficient to cover the costs.

Approved, Mr. Vardaman voting no.

Letter to the board of directors of the "First State Bank of Bellaire", Bellaire, Texas, stating that subject to conditions of membership numbered 1 and 2 contained in the Board's Regulation B and the following special condition, the Board approved the bank's
application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Dallas, effective if and when the bank is authorized to commence business by the appropriate State authorities:

"3. At the time of admission to membership such bank shall have a paid-up and unimpaired capital of not less than $200,000 and other capital funds of not less than $50,000."

The letter also contained the following special comment:

"It appears that the bank possesses certain powers which are not being exercised and which are not necessarily required in the conduct of a banking business, such as the power to issue and sell investment certificates. Attention is called to the fact that if the bank desires to exercise any powers not actually exercised at the time of admission to membership, it will be necessary, under condition of membership numbered 1, to obtain the permission of the Board of Governors before exercising them. In this connection, the Board understands that there has been no change in the scope of the corporate powers exercised by the bank since the date of its application for membership."

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

Letter to Mr. McCormick, Federal Reserve Agent at the Federal Reserve Bank of Richmond, reading as follows:

"In accordance with the request contained in Mr. Leach's letter of December 8, 1949, the Board of Governors approves, effective January 1, 1950, the payment of salaries to the following members of the Federal Reserve Agent's staff at the rates indicated:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shepherd, Robert L.</td>
<td>Head Office Assistant Federal Reserve Agent</td>
<td>$3,780</td>
</tr>
<tr>
<td>Name</td>
<td>Title</td>
<td>Annual Salary</td>
</tr>
<tr>
<td>----------------------</td>
<td>-----------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Turner, J. Gillette</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>$3,600</td>
</tr>
<tr>
<td>Thompson, George E., Jr.</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>$3,420</td>
</tr>
<tr>
<td>Shipley, Eugene L.</td>
<td>Federal Reserve Agent's Representative</td>
<td>$5,520</td>
</tr>
<tr>
<td>Stewart, Alfred A., Jr.</td>
<td>Federal Reserve Agent's Representative</td>
<td>$5,640</td>
</tr>
<tr>
<td>Bagby, T. Wesley</td>
<td>Federal Reserve Agent's Representative</td>
<td>$4,620</td>
</tr>
</tbody>
</table>

Approved unanimously.

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

"The Board of Governors approves the payment of salary to Mr. Upton S. Martin as Assistant Vice President of the Federal Reserve Bank of Richmond at the rate of $8,100 per annum, which, according to your letter of December 9, 1949, is the rate fixed by the Board of Directors, for the period December 8, 1949, through May 31, 1950."

Approved unanimously.

Letter to the Presidents of all Federal Reserve Banks, reading as follows:

"Attached is a copy of a letter written to the Comptroller of the Currency pursuant to the recommendation of the Conference of Presidents and after consultation with the Office of the Comptroller with respect to the fees to be paid for copies of reports of examination of national banks, their branches and the trust departments thereof.

"It will be noted that payment at the indicated
"Rates is to be made for all reports received after the first of the year although the examinations covered thereby may have been made in 1949. Also, the fee for separate trust reports will be made for all reports of examination of trust departments made by an examiner whose primary work is the examination of trust departments, whether or not the report is bound with the report of examination of the commercial department or the examination is made concurrently with that of the commercial department. In this connection, it is understood that the Comptroller's Office is attempting to develop better qualified personnel for a more comprehensive and specialized examination of trust departments."

Approved unanimously, together with the following letter to the Honorable Preston Delano, Comptroller of the Currency, reading as follows:

"In accordance with the suggestion of Chief of National Bank Examiner Folger and the recommendation of the Conference of Presidents of the Federal Reserve Banks, this is to advise you that, beginning January 1, 1950, payment for copies of reports of examination of national banks, their branches and the trust departments thereof, furnished to the several Federal Reserve Banks, will be made as follows:

1. Commercial bank and branch examinations: $10 for the first copy of reports of examination and $5 per copy for each extra copy of the foregoing. $5 per copy for reports of examination of branches when separately bound branch reports are prepared.

2. Trust department examinations: $5 per copy for reports of examination of trust departments when made by a trust examiner whose primary work is the examination of trust departments. When trust departments are examined by a commercial department examiner concurrently with the commercial department examination, no separate or additional charge will be made for copies of the trust
"report. The District Chief National Bank Examiner is to keep the Reserve Bank currently advised as to the examiners whose primary work is the examination of trust departments.

3. Foreign branch examinations:
$5 per copy for reports of examination of foreign branches.

"It is understood that you will advise the District Chief National Bank Examiners in accordance with the above."

[Signature]

Secretary.

Approved:

[Signature]

Chairman.