

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, September 28, 1950.

PRESENT: Mr. McCabe, Chairman
 Mr. Szymczak
 Mr. Evans
 Mr. Vardaman
 Mr. Norton
 Mr. Powell

Mr. Carpenter, Secretary
 Mr. Sherman, Assistant Secretary
 Mr. Kenyon, Assistant Secretary

Minutes of the meeting of the Board of Governors of the Federal Reserve System with the Presidents of the Federal Reserve Banks held on September 27, 1950, were approved unanimously.

Minutes of actions taken by the Board of Governors of the Federal Reserve System on September 27, 1950, were approved unanimously.

Memorandum dated September 26, 1950, from Mr. Vest, General Counsel, recommending an increase in the basic salary of William H. Tinsley, Jr., a law clerk in the Legal Division, from \$4,200 to \$4,600 per annum, effective October 1, 1950.

Approved unanimously.

Memorandum dated September 26, 1950, from Mr. Bethea, Director of the Division of Administrative Services, recommending that Benjamin R. Reading, pay roll clerk in that Division, be granted leave of absence without pay beginning October 23, 1950, for the purpose of reporting for active duty with the United States Marine Corps Reserves, that he be granted the benefits outlined in the Board's policy, adopted

9/28/50

-2-

August 1, 1950, for all employees called for military service, that he be granted one month's unearned salary, and that he receive a lump sum payment for any accumulated and accrued annual leave remaining to his credit at this time.

Approved unanimously.

Memorandum dated September 27, 1950, from Mr. Bethea, Director of the Division of Administrative Services, recommending that Henry Tate, a laborer in that Division, be granted leave of absence without pay beginning October 16, 1950, for the purpose of reporting for active duty with the United States Army Reserve Corps, that he be granted the benefits outlined in the Board's policy, adopted August 1, 1950, for all employees called for military service, that he be granted one month's unearned salary, and that he receive a lump sum payment for any accumulated and accrued annual leave remaining to his credit at this time.

Approved unanimously.

Memorandum dated September 27, 1950, from Mr. Bethea, Director of the Division of Administrative Services, recommending that the resignation of Bernard W. Larson, an operating engineer in that Division, be accepted to be effective, in accordance with his request, at the close of business October 6, 1950.

Approved unanimously.

9/28/50

-3-

Memorandum dated September 28, 1950, from Mr. Carpenter, Secretary of the Board, recommending the appointment of Mrs. Hazel LaMore Larson as a file clerk in the Office of the Secretary, on a temporary indefinite basis, with basic salary at the rate of \$2,890 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination, and subject to a satisfactory check of her references.

Approved unanimously.

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

"There has recently been submitted to the Board a recommendation that Section 17(c) of Regulation F be amended so as to increase from \$50,000 to \$100,000 the amount of the funds of any one trust which may be invested in a Common Trust Fund. By similar amendment in 1945, the Board increased the limitation on investments in Common Trust Funds from \$25,000 to \$50,000.

"An expression of your views relative to the proposed amendment to Regulation F, together with the views of representative bankers or trustmen experienced with the administration of Common Trust Funds in your district, will be of assistance to the Board in its consideration of this matter. As a matter of convenience there is attached a summary of some of the considerations pertinent to the proposal. It is requested that your comments or suggestions be forwarded to reach the Board before November 1, 1950."

Approved unanimously.

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

9/28/50

-4-

"The substitution of 'designed for household use' for the previous cubic foot capacity demarcation in the listing of refrigerators and food freezers has resulted in questions relating to the applicability of Regulation W. In one case certain food freezers have been designated by the manufacturer as 'commercial models'. They are similar in appearance and function to the freezers manufactured by the same company and designated by that company as 'home freezers', although the home model uses a smaller horsepower compressor and at least one of the commercial models is equipped with a sliding glass lid.

"The Board believes, however, that because the food freezers in question are of a type readily adaptable to household use, and are not designed exclusively for commercial use, they are listed articles under Regulation W."

Approved unanimously.


Secretary.