Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, March 1, 1951.

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 actions taken by the Board of Governors of the Federal Reserve System on February 28, 1951, were approved unanimously.

Memorandum dated February 28, 1951, from Mr. Sloan, Assistant Director of the Division of Examinations, recommending increases in the basic annual salaries of the following employees in that Division, effective March 4, 1951:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Salary Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frank C. Guth, Jr.</td>
<td>Federal Reserve Examiner</td>
<td>From $5,800 To $6,000</td>
</tr>
<tr>
<td>Edward K. O'Malley</td>
<td>Asst. Federal Reserve Examiner</td>
<td>From $3,100 To $3,225</td>
</tr>
</tbody>
</table>

Approved unanimously.

Memorandum dated February 28, 1951, from the Division of Personnel Administration, recommending the appointment of Guy E. Noyes as Director of the Division of Selective Credit Regulation, with an increase in his basic salary from $11,500 to $13,000 per annum, effective March 1, 1951. In accordance with the policy adopted by the Board on December 29, 1950, this appointment was made on a non-permanent basis.
3/1/51

Approved, Mr. Vardaman voting "no".

Letter to The First National Bank of Petoskey, Petoskey, Michigan, reading as follows:

"This refers to the resolution adopted on August 25, 1950, by the board of directors of your bank, signifying the bank's desire to surrender its right to exercise fiduciary powers heretofore granted to it.

"The Board, understanding that your bank has never accepted or undertaken the exercise of any trust, has issued a formal certificate to your bank certifying that it is no longer authorized to exercise any of the fiduciary powers covered by the provisions of section 11(k) of the Federal Reserve Act, as amended. This certificate is enclosed herewith.

"In this connection, your attention is called to the fact that, under the provisions of section 11(k) of the Federal Reserve Act, as amended, when such a certificate has been issued by the Board of Governors of the Federal Reserve System to a national bank, such bank (1) shall no longer be subject to the provisions of section 11(k) or the regulations of the Board of Governors of the Federal Reserve System made pursuant thereto, (2) shall be entitled to have returned to it any securities which it may have deposited with the State authorities for the protection of private or court trusts, and (3) shall not exercise thereafter any of the powers granted by section 11(k) without first applying for and obtaining a new permit to exercise such powers pursuant to the provisions of section 11(k)."

Approved unanimously, for transmittal through the Federal Reserve Bank of Chicago.

Memorandum dated February 16, 1951, from Mr. Bethea, Director of the Division of Administrative Services, recommending that the Division of Administrative Services be authorized to have 50,000
3/1/51

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paper-bound copies of the booklet entitled "The Federal Reserve System--Its Purposes and Functions" reprinted with such minor editorial corrections as may be approved by the Director of the Division of Research and Statistics. The memorandum also recommended that the appropriate classification in the Budget of the Division of Administrative Services be increased by the amount necessary to cover the cost.

Approved unanimously.

[Signature]

Secretary.