

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, June 7, 1951.

PRESENT: Mr. Vardaman, Chairman pro tem.
Mr. Norton
Mr. Powell

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

Memorandum dated June 6, 1951, from Mr. Carpenter, Secretary of the Board, recommending that the temporary appointment of Miss Margaret J. Dougherty, Clerk in the Office of the Secretary, be extended on a permanent basis, with an increase in her present basic salary from \$2,875 to \$2,955 per annum, effective June 10, 1951.

Approved unanimously.

Memorandum dated June 5, 1951, from Mr. Kelleher, Assistant Director of the Division of Administrative Services, recommending that the temporary appointment of George H. Russell, Jr., Operator (Mimeograph) in that Division, be extended on a temporary indefinite basis, effective June 11, 1951, with no change in his present basic salary at the rate of \$2,120.

Approved unanimously.

Memorandum dated June 6, 1951, from Mr. Horbett, Assistant Director of the Division of Bank Operations, recommending an increase in the basic salary of F. A. Walker, Supervisor, Settlement and Currency Section, in that Division, from \$4,950 to \$5,100 per annum, effective June 10, 1951.

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Approved unanimously.

Memorandum dated June 7, 1951, from Mr. Young, Director of the Division of Research and Statistics, recommending an increase in the basic salary of Gerald F. Millea, Administrative Assistant in that Division, from \$4,600 to \$4,850 per annum, effective June 10, 1951.

Approved unanimously.

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

"In accordance with the request contained in your letter of May 31, 1951, the Board approves the designation of Robert J. Lemm as a special assistant examiner for the Federal Reserve Bank of Minneapolis."

Approved unanimously.

Letter to Mr. Lunding, Chairman of the Federal Reserve Bank of Chicago, reading as follows:

"At the completion of the examination of the Federal Reserve Bank of Chicago, made as of February 23, 1951, 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 Young.

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

Telegram to Mr. Barrett, Assistant Cashier of the Federal Reserve Bank of San Francisco, reading as follows:

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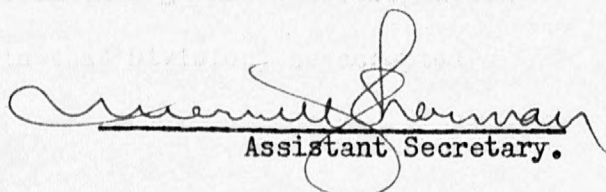
"Reurtel June 5, guarantee fees should be computed as accruing from date of execution of guarantee agreement and not from date of interim advance made by financing institution in contemplation of execution of guarantee, except that if interim advance is made shortly before execution of guarantee and guarantee agreement is dated back to be effective as of the date of such advance, then guarantee fees would accrue from date of such advance. See Board's letter November 27, 1942 (S-593). Have informally discussed matter with Defense Department and they agree with position here stated and make further point that where prior advances are covered under guarantee agreement guarantee fee should be computed from date of guarantee rather than date of first disbursement after execution of guarantee."

Approved unanimously.

Memorandum dated June 6, 1951, from Mr. Hooff, Assistant Counsel, recommending that there be published in the law department of the June issue of the Federal Reserve Bulletin statements in the form attached to the memorandum with respect to the following subjects:

- Interlocking Relationships
- Open-End Investment Companies (S-1329)
- Consumer Credit
- Automobile Appraisal Guides (W-145)
- Pre-effective Date "Balloon" Notes or Payments (W-148)
- Credits Over \$2,500 or \$5,000 (W-147)
- Real Estate Credit
- Privately Owned Public Warehouse Not a Public Utility (X-50)
- Church Unit Extending Credits (X-51)
- Appraisal Value of Lot and Residence (X-52)
- Short-Term Construction Credits (X-53)

Approved unanimously.


Assistant Secretary.