

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, July 13, 1951.

PRESENT: Mr. Martin, Chairman  
Mr. Evans

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

Telegrams to the Federal Reserve Banks of Boston, New York, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on July 10, by the Federal Reserve Banks of Atlanta and St. Louis on July 11, and by the Federal Reserve Banks of New York, Cleveland, Richmond, Chicago, St. Louis, Kansas City, and Dallas on July 12, and by the Federal Reserve Bank of Boston today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated July 12, 1951, from Mr. Marget, Director, Division of International Finance, recommending that the resignation of Harrison Parker, Economist in that Division, be accepted to be effective, in accordance with his request, at the close of business July 20, 1951.

Approved unanimously.

Memorandum dated July 11, 1951, from Mr. Sloan, Director of the Division of Examinations, recommending the appointment of Miss Elizabeth A. Kropog as a Stenographer in that Division, on a temporary indefinite

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basis, with basic salary at the rate of \$2,610 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 the completion of a satisfactory employment investigation.

Approved unanimously.

Memorandum dated July 11, 1951, from Mr. Young, Director of the Division of Research and Statistics, recommending the appointment of Miss Doris June Toothman as a Clerk-Typist in that Division, on a temporary indefinite basis, with basic salary at the rate of \$2,450 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 the completion of a satisfactory employment investigation.

Approved unanimously.

Memorandum dated July 11, 1951, from Mr. Bethea, Director of the Division of Administrative Services, recommending increases in the basic annual salaries of the following employees in that Division, effective July 22, 1951:

<u>Name</u>	<u>Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
Nancy C. Petrey	Clerk-Stenographer	\$2,650	\$2,875
Leita Cook	Clerk-Typist	2,450	2,650

Approved unanimously.

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Memorandum dated July 9, 1951, from Mr. Leonard, Director of the Division of Bank Operations, recommending increases in the basic annual salaries of the following employees in that Division, effective July 22, 1951:

<u>Name</u>	<u>Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
R. E. Sherfy	Analyst	\$4,575	\$4,700
Margaret K. Ball	Statistical Assistant	3,950	4,075
Evelyn Bryan	Supervisor, Member Bank Statement Unit	3,950	4,075

Approved unanimously.

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

"In accordance with the request contained in Mr. Shepherd's letter of July 9, 1951, the Board of Governors approves the appointment of Mr. Morriss Barret, Jr., as Alternate Assistant Federal Reserve Agent, at his present salary of \$3,060.00 per annum, to succeed Mr. J. Gillette Turner.

"This approval is given with the understanding that Mr. Barret will be placed upon the Federal Reserve Agent's payroll and will be solely responsible to him or, during a vacancy in the office of the Agent, to the Assistant Federal Reserve Agent, and to the Board of Governors, for the proper performance of his duties. When not engaged in the performance of his duties as Alternate Assistant Federal Reserve Agent he may, with the approval of the Federal Reserve Agent or, during a vacancy in the office of the Federal Reserve Agent, of the Assistant Federal Reserve Agent, and the President, perform such work for the Bank as will not be inconsistent with his duties as Alternate Assistant Federal Reserve Agent.

"It is noted in your letter that the appointment of Mr. Barret as Alternate Assistant Federal Reserve Agent will become effective on the date he executes the usual



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"oath of office, which will be forwarded to the Board of Governors."

Approved unanimously.

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

"In accordance with the request contained in your letter of July 10, 1951, the Board approves the designation of R. DeWitt Adams as a special examiner for the Federal Reserve Bank of Atlanta.

"Appropriate notations have been made in our records of the names to be deleted from the list of special assistant examiners."

Approved unanimously.

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

"An inquiry has been received concerning the application of Regulation W to the following situation which arose in connection with a Registrant doing business on a nation-wide basis:

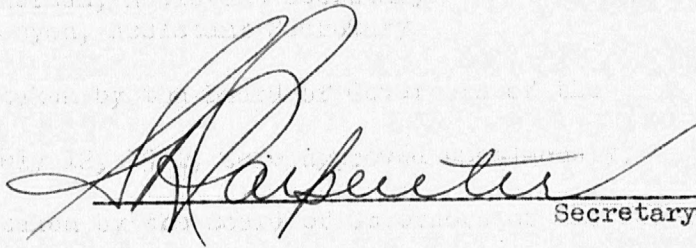
"The Registrant sells both new and used articles listed in Group B and proposes to apply as down payment on a new article the full payment previously received by him for the earlier cash sale of a used article of the same kind to the same customer. The instalment sale of the new article, together with the return to the Registrant of the used article, would occur within 90 days after the cash sale of the used article. Instalment sales of new articles are expected to result from instructions given by the Registrant to purchasers of used articles in the use of such articles.

"In such a case, the Board is of the view that the return of the used machine would clearly constitute a trade-in under section 6(j) and should be treated accordingly for the purposes of the applicable provision of the Supplement to the regulation. On the facts as above stated, the cash payment for the used article

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"would have to be deducted from the 'bona fide' cash purchase price' of the new article, and the required down payment on the new article would have to be obtained in cash on the basis of the resulting 'net price' after such deduction. The foregoing conforms with the principles stated in paragraph (58) of W-97 (Regulation W Service 982)."

Approved unanimously.

  
Secretary.