

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Tuesday, September 11, 1951. The Board met in the Board Room at 10:30 a.m.

PRESENT: Mr. Martin, Chairman
 Mr. Szymczak
 Mr. Evans
 Mr. Powell

Mr. Carpenter, Secretary
 Mr. Sherman, Assistant Secretary
 Mr. Riefler, Assistant to the Chairman
 Mr. Thomas, Economic Adviser to the Board
 Mr. Vest, General Counsel
 Mr. Townsend, Solicitor
 Mr. Young, Director, Division of Research and Statistics
 Mr. Allen, Director, Division of Personnel Administration
 Mr. Sloan, Director, Division of Examinations
 Mr. Nelson, Assistant Director, Division of Examinations

Before this meeting there had been sent to each member of the Board a copy of Mr. Evans' memorandum dated August 30, 1951, suggesting that the basis upon which the Blue Room may be reserved by members of the Board for luncheon be revised as follows:

- "1. The Blue Room will always be reserved for the regular meetings of the Federal Advisory Council.
- "2. The Blue Room can be reserved by a Board Member for visiting foreign delegations of bankers or government officials. (This would ordinarily be the Board Member whose assignments include contact with these people.) There cannot be more than two such reservations in any one week. All Board Members are invited to attend these luncheons.
- "3. The Blue Room can be reserved by a Board Member (same definition as above) to entertain visiting United States

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"bankers or groups with whom the Board has business, providing there are a total of not more than two such reservations in a week.

"4. A Board Member can reserve the Blue Room for his own personal guests once every two weeks but not more frequently.

"5. If the Blue Room is not reserved, a Board Member may reserve the room not earlier than 24 hours before he wishes to use it."

Following a discussion, upon motion by Mr. Evans, the memorandum was approved unanimously.

There was presented a draft of letter to the Presidents of all Federal Reserve Banks prepared in accordance with the understanding at the meeting on August 16, 1951 reading as follows:

"There is attached for your information a statement of policy which the Board has adopted with regard to granting prior written consent for mergers or absorptions when required pursuant to Section 18(c) of the Federal Deposit Insurance Act.

"We have been advised that this policy is consistent with that followed by the Comptroller of the Currency and the Federal Deposit Insurance Corporation in considering transactions requiring their consent under the above provision of the Federal Deposit Insurance Act.

"This statement of policy is furnished for your guidance in considering absorptions or mergers requiring consent of the Board of Governors and it is not contemplated that any public announcement or distribution thereof will be made."

Chairman Martin stated that Mr. Vardaman, who was unable to attend this meeting, had informed him that he wished to be recorded as voting "no" with respect to the foregoing letter.

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Thereupon, upon motion by Mr. Powell, the letter was approved, it being understood that Mr. Vardaman would vote "no" if he were present.

Before this meeting there had been circulated among the members of the Board a memorandum dated August 21, 1951, from Mr. Carpenter submitting a statement which outlined a plan under which the operations of the Board would be carried on in the event the Board's building was seriously damaged or destroyed by enemy action. The plan contemplated that in the event of an emergency the Federal Reserve Bank of Richmond would be used as a relocation center, that members of the Board and a skeleton staff would carry on necessary functions at that location, and that the members of the staff remaining in Washington would carry on whatever work was possible either in assisting in the rehabilitation of the building or performing their assigned duties as fully as possible at home or elsewhere. It was also contemplated that TWX telegraph equipment would be installed at the Richmond Bank for necessary telegraph communications with the Federal Reserve Banks and that certain designated persons at the Bank would be authorized to (1) operate the interdistrict settlement fund, (2) sign checks on the gold certificate fund, and (3) sign requests and other communications relating to the printing and shipment of Federal Reserve notes and shipment of United States currency. The statement also outlined the steps that had been taken to safeguard and disperse vital records of the Board and to protect personnel. The memorandum recommended

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that the plan as outlined in the statement be approved by the Board with the understanding that a copy would be given to each employee with the request that he keep it in a place at home where it would be available in the event of damage to the Board's building.

Following a discussion, the proposed plan was approved unanimously and the following actions contemplated by the plan were also taken by unanimous vote:

1. Mr. J. M. Nowlan, Assistant Cashier, and Messrs. E. D. Coleman, E. J. Carr, and W. C. Crump of the Accounting Department of the Richmond Bank were authorized, in the event the plan was put into operation, to operate the interdistrict settlement fund.

2. The following letters were approved with the understanding that the respective authorizations contained therein would have no effect on the existing authorizations to sign the documents referred to in the respective letters:

Letter to the Treasurer of the United States

"The Board of Governors of the Federal Reserve System has adopted a plan for the relocation of certain of its essential operations at the Federal Reserve Bank of Richmond in the event of an emergency arising from enemy action. In the event of such an emergency, the following persons at the Federal Reserve Bank of Richmond, whose signatures appear below, are authorized to sign checks drawn to the order of the Treasurer of the United States on the Gold Certificate Fund and have been designated as officers of the Board for this purpose: Mr. Charles P. McCormick, Federal Reserve Agent; Mr. Robt. L. Shepherd, Assistant Federal Reserve Agent; Messrs. Morris Barret, Jr., and George E. Thompson, Jr., Alternate Assistant Federal Reserve Agents.

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Charles P. McCormick	Morris Barret, Jr.
Robt. L. Shepherd	George E. Thompson, Jr."

Letter to A. W. Hall, Director of the Bureau
of Engraving and Printing

"The Board of Governors of the Federal Reserve System has adopted a plan for relocation of certain of its essential operations at the Federal Reserve Bank of Richmond in the event of an emergency arising from enemy action. In the event of such an emergency, the following officers of the Federal Reserve Bank of Richmond, whose signatures appear below are authorized to sign requests for the delivery of Federal Reserve notes and all other communications relating to Federal Reserve notes: Mr. J. S. Walden, Jr., First Vice President; Mr. R. W. Mercer, Vice President and Cashier; Mr. C. B. Strathy, Vice President and Secretary; Messrs. J. M. Nowlan, W. B. Wakeham, and Edw. Waller, Jr., Assistant Cashiers.

J. S. Walden, Jr.	J. M. Nowlan
R. W. Mercer	W. B. Wakeham
C. B. Strathy	Edw. Waller, Jr."

Letter to Comptroller of the Currency

"The Board of Governors of the Federal Reserve System has adopted a plan for relocation of certain of its essential operations at the Federal Reserve Bank of Richmond in the event of an emergency arising from enemy action. In the event of such an emergency, the following officers of the Federal Reserve Bank of Richmond, whose signatures appear below, are authorized to sign requisitions for shipment of Federal Reserve notes (Form FR 45), requests for printing Federal Reserve notes and all other communications relating to Federal Reserve notes: Mr. J. S. Walden, Jr., First Vice President; Mr. R. W. Mercer, Vice President and Cashier; Mr. C. B. Strathy, Vice President and Secretary; Messrs. J. M. Nowlan, W. B. Wakeham, and Edw. Waller, Jr., Assistant Cashiers.

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<u>J. S. Walden, Jr.</u>	<u>J. M. Nowlan</u>
<u>R. W. Mercer</u>	<u>W. B. Wakeham</u>
<u>C. B. Strathy</u>	<u>Edw. Waller, Jr."</u>

Letter to Treasurer of the United States

"The Board of Governors of the Federal Reserve System has adopted a plan for relocation of certain of its essential operations at the Federal Reserve Bank of Richmond in the event of an emergency arising from enemy action. In the event of such an emergency, the following officers of the Federal Reserve Bank of Richmond, whose signatures appear below, are authorized to sign requests (Form F.R. 203) for the shipment of United States currency to Federal Reserve Banks and Branches: Mr. J. S. Walden, Jr., First Vice President; Mr. R. W. Mercer, Vice President and Cashier; Mr. C. B. Strathy, Vice President and Secretary; Messrs. J. M. Nowlan, W. B. Wakeham, and Edw. Waller, Jr., Assistant Cashiers.

<u>J. S. Walden, Jr.</u>	<u>J. M. Nowlan</u>
<u>R. W. Mercer</u>	<u>W. B. Wakeham</u>
<u>C. B. Strathy</u>	<u>Edw. Waller, Jr."</u>

3. The following letter to the Presidents of all Federal Reserve Banks was approved:

"In order that the Board of Governors may be prepared for any emergency that may arise from war damage to its building which would require operations to be carried on at another location, plans have been made under which the members of the Board and the senior staff will go to the Federal Reserve Bank of Richmond where essential operations may be carried on until damage to the building can be repaired. Should such a move become necessary your Bank will be informed as promptly as possible and after receipt of such advice all communications to the Board should be directed in care of the Federal Reserve Bank of Richmond.

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"It is expected that during such an emergency all but absolutely essential activities of the Board would be suspended pending the establishment of more normal working conditions for the Board and its staff. Therefore, communications sent to the Board during such period should be confined to matters requiring immediate attention and all communications, examination and other reports, and other material sent to the Board on a regular basis should be withheld until receipt of further advice from the Board.

"Additional standby TWX equipment is being installed in the Federal Reserve Bank of Richmond for emergency telegraph communication service and it is suggested that each of the other Federal Reserve Banks obtain standby TWX equipment for emergency use if it does not now have such equipment. In the event the present switching facilities are disabled it will be necessary that the Federal Reserve Banks be in a position to communicate directly with each other and all Banks should have the necessary TWX equipment available for that purpose. Studies are being made of the System's telegraph facilities and if other changes and plans are proposed your Bank will be kept informed.

"Designated members of the staff of the Federal Reserve Bank of Richmond have been trained and authorized to operate the Interdistrict Settlement Fund and to handle currency matters in the event these functions cannot be carried on in Washington."

Mr. Evans stated that the staff had obtained information concerning the most suitable location for a shelter in the Board's building for use in the event of threatened bombing and that it had been determined that the north ground floor corridor would be very satisfactory for the purpose, having been given a rating of 68 out of possible 74 points, which rating would be raised to 73 if the glass panels in the doors were replaced with solid panels. He also stated that a memorandum concerning the proposed conversion of the tunnel under the Board building

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to use as a storage area would be submitted in the near future. He also stated that steps were being taken to conserve paper in the mimeograph room by printing on both sides as was done during the last war.

Copies of a memorandum from the Personnel Committee dated September 4, 1951 recommending the reappointments of Class C directors and branch directors at the Federal Reserve Banks and branches indicated, and redesignation of Chairmen and Deputy Chairmen as listed in the memorandum, had been sent to all members of the Board prior to this meeting. Mr. Evans stated that the recommendations of the Personnel Committee were based upon information and recommendations of the Federal Reserve Bank Chairmen and that the Committee felt it would be desirable to make the appointments as recommended promptly.

Following a discussion, and by unanimous vote, actions were taken by the Board to make the following appointments and designations with the understanding that advices would be sent promptly to the individuals concerned, but that no announcement of the appointments and designations would be made until the customary statement was given to the press toward the end of the year.

The following were appointed as Class C directors of the respective Federal Reserve Banks shown, each for a term of three years, beginning January 1, 1952:

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<u>Name</u>	<u>Federal Reserve Bank</u>
William I. Myers	New York
William J. Meinel	Philadelphia
Leo L. Rummell	Cleveland
W. G. Wysor	Richmond
Paul E. Reinhold	Atlanta
F. J. Lunding	Chicago
Joseph H. Moore	St. Louis
Paul E. Miller	Minneapolis
Lyle L. Hague	Kansas City

The following were designated as Chairmen and Federal Reserve Agents at the respective Federal Reserve Banks shown for the year 1952 and the compensation of each as Chairman and Federal Reserve Agent was fixed on the uniform basis for the same position at all Federal Reserve Banks, i.e., the same amount as the aggregate of the fees payable during the same period to any other director for attendance corresponding to his at meetings of the board of directors, executive committee, and other committees of the board of directors:

<u>Name</u>	<u>Federal Reserve Bank</u>
Harold D. Hodgkinson	Boston
Robert T. Stevens	New York
Warren F. Whittier	Philadelphia
George C. Brainard	Cleveland
Charles P. McCormick	Richmond
Frank H. Neely	Atlanta
F. J. Lunding	Chicago
Russell L. Dearmont	St. Louis
Roger B. Shepard	Minneapolis
Robert B. Caldwell	Kansas City
J. R. Parten	Dallas
Brayton Wilbur	San Francisco

The following were appointed as Deputy Chairmen of the respective Federal Reserve Banks for the year 1952:

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<u>Name</u>	<u>Federal Reserve Bank</u>
William I. Myers	New York
C. Canby Balderston	Philadelphia
John C. Virden	Cleveland
John B. Woodward, Jr.	Richmond
Rufus C. Harris	Atlanta
John S. Coleman	Chicago
Wm. H. Bryce	St. Louis
W. D. Cochran	Minneapolis
Robert L. Mehornay	Kansas City

The following were appointed as directors of the respective branches of the Federal Reserve Banks shown, each for a term of three years beginning January 1, 1952:

<u>Name</u>	<u>Federal Reserve Bank Branch</u>
Ernest H. Hahne	Cincinnati
J. Hillis Miller	Jacksonville
H. C. Meacham	Nashville
Pierre B. McBride	Louisville

The following were appointed as directors of the respective branches of the Federal Reserve Banks shown, each for a term of two years beginning January 1, 1952:

<u>Name</u>	<u>Federal Reserve Bank Branch</u>
William M. Day	Detroit
G. R. Milburn	Helena
Cecil Puckett	Denver
Cecil W. Cotton	Oklahoma City
Joseph W. Seacrest	Omaha
Aaron M. Frank	Portland

Mr. Evans said that the Personnel Committee also recommended that, to fill vacancies that would exist at the end of this year, appointments for three-year terms be tendered Mr. A. G. Decker, Jr., Vice President in charge of manufacturing and Director, Black and Decker

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Manufacturing Company, Towson, Maryland, as a director of the Baltimore Branch of the Federal Reserve Bank of Richmond; Mr. Edwin C. Bottcher, cotton and dairy farmer, Cullman, Alabama, as a director of the Birmingham Branch of the Federal Reserve Bank of Atlanta; and Mr. Jordon G. Lee, Jr., Dean, College of Agriculture, Louisiana State University, Baton Rouge, Louisiana, as a director of the New Orleans Branch of the Atlanta Bank, if it was ascertained that they would accept the appointments.

These recommendations of the Personnel Committee were approved unanimously.

Mr. Allen withdrew from the meeting at this point.

Mr. Evans stated that the Personnel Committee had been studying the Board's Budget performance for 1951 and the procedure for preparing the budget for 1952, and that it had reviewed the budgets for some divisions with the division heads and would complete discussions with all division heads next week. He also said it was contemplated that these matters would be presented to the Board for consideration at the meeting on Thursday, September 20, 1951, and that the Personnel Committee would suggest that the Board devote to the subject as much of the day as was necessary. All of the members present were agreeable to this arrangement.

Chairman Martin stated that Mr. Vardaman had suggested that memoranda circulated to members of the Board for consideration prior to a meeting be prepared with a sufficient number of copies so that each member could be supplied with a copy which he could retain. The

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Chairman stated that he felt such a procedure would be desirable, and it was understood that the Secretary's office would follow that procedure in the future.

Messrs. Sloan and Nelson withdrew at this point.

Mr. Evans stated that in accordance with the discussion at the meetings on August 28 and September 4, representatives of Admiral Corporation, Westinghouse Electric Corporation, and Philco Corporation met with him and members of the staff at 2:30 p.m. on Thursday, September 6, 1951 for the purpose of discussing trade-ins in connection with the down-payment requirements of Regulation W on appliances. He went on to say that the discussion, which lasted most of the afternoon, appeared to have been successful as a step toward eliminating objectionable advertising and practices in connection with the down-payment provisions of the regulation, and that there had been issued for public release on September 7 an interpretation covering the matter along the lines discussed at the meeting on September 4.

Mr. Leach, Economist, Division of Research and Statistics, joined the meeting at this point.

Mr. Thomas reported on recent developments in the open market.

Following Mr. Thomas' report all members of the staff withdrew and the Board went into executive session.

Subsequently Chairman Martin advised the Secretary that during

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the executive session the Board discussed and approved by unanimous vote the recommendation contained in a memorandum dated September 4, 1951, from Mr. Szymczak, reading as follows:

"On August 14, 1951, the Board authorized Mr. Evans to make a trip later this year to Rome and other European cities, with the understanding that he would be absent from Washington for a period of between two and three months.

"Under the Board's travel regulations he will be allowed his actual necessary transportation expenses. To cover other expenses which he will incur while absent from Washington, it is recommended that he be allowed a per diem of \$25 plus an amount not exceeding \$500 to cover such extraordinary expenses as he may find it necessary to incur in order properly to represent the Board during the trip."

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on September 10, 1951, were approved unanimously.

Memorandum dated September 7, 1951, from Mr. Noyes, Director, Division of Selective Credit Regulation, recommending that the resignation of Miss Adele Eug, Secretary to Mr. Benner, Assistant Director, in that Division, be accepted to be effective, in accordance with her request, at the close of business September 9, 1951.

Approved unanimously.

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Memorandum dated September 7, 1951, from Mr. Vest, General Counsel, recommending an increase in the basic salary of Miss Jean Crosby, Secretary to Mr. Hackley, Assistant General Counsel, Legal Division, from \$3,600 to \$3,725 per annum, effective September 16, 1951.

Approved unanimously.

Memorandum dated September 7, 1951, from Mr. Vest, General Counsel, recommending an increase in the basic salary of Mrs. Evelyn W. Edwards, Secretary to Mr. Solomon, Assistant General Counsel, Legal Division, from \$3,475 to \$3,725 per annum, effective September 16, 1951.

Approved unanimously.

Memorandum dated September 4, 1951, from Mr. Leonard, Director, Division of Bank Operations, recommending an increase in the basic salary of Mrs. Anne D. Dougherty, Statistical Clerk in that Division, from \$2,650 to \$2,730 per annum, effective September 16, 1951.

Approved unanimously.

Memorandum dated September 4, 1951, from Mr. Marget, Director, Division of International Finance, recommending increases in the basic annual salaries of the following employees in that Division, effective September 16, 1951:

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<u>Name</u>	<u>Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
Eleanor M. Ballinger	Clerk	\$2,810	\$2,890
William E. Hardy	Messenger	2,572	2,652

Approved unanimously.

Memorandum dated September 10, 1951, from Mr. Young, Director, Division of Research and Statistics, recommending that the Board authorize the granting of official leave and the payment of necessary travel expenses to Messrs. Homer Jones, Chief, Consumer Credit and Finances Section, Irving Schweiger, Economist, and Louis Weiner, Acting Chief, National Income, Moneyflows and Labor Section, members of the staff of the Division of Research and Statistics, for the purpose of attending the National Conference on Income and Wealth to be held at the University of Michigan, Ann Arbor, Michigan on September 14-15, 1951 and sponsored by the National Bureau of Economic Research.

Approved unanimously.

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

"This refers to your letter of August 29, 1951, submitting with your favorable recommendation the request of Dothan Bank and Trust Company, Dothan, Alabama, for permission to act as Fiscal Agent for the Housing Authority of the City of Dothan in connection with a forthcoming issue of its bonds.

"It is noted that the duties of the member bank in connection with the contemplated appointment will include authentication of the bonds, payment of interest or principal thereon, and the performance of other

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"ministerial duties commonly involved in connection with the administration of appointments of this kind, and that accompanying responsibilities will therefore be limited in nature. It is further observed that the member bank is desirous of accepting this appointment in keeping with its civic responsibilities and has no intention of entering the trust field generally or to establish a trust department. In the circumstances, the Board has no objection to the Dothan Bank and Trust Company accepting an appointment as Fiscal Agent for the Housing Authority of the City of Dothan, Alabama, with the understanding that the bank will not acquire any other fiduciary business without first obtaining the permission of the Board. Please advise the bank accordingly.

Approved unanimously.

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

"The Board today received a letter from James M. McInerney, Assistant Attorney General in charge of the Criminal Division, Department of Justice, in regard to the above-entitled matter. A copy of Mr. McInerney's letter is enclosed for your information.

"As you will observe, the Department desires to have certain additional information before reaching a decision as to what action, if any, it should take against the Aluminum Home Improvement Company. It would be appreciated, therefore, if you would have Regulation W investigators make such customer contacts as is necessary to establish whether or not, in each of the cases covered by your report, the repairs or improvements were actually begun and completed by the Aluminum Home Improvement Company, obtaining the precise dates whenever possible. We would also appreciate it if you would obtain the information respecting the fact and date of incorporation of the registrant. It is suggested that this information be submitted in the form of a supplemental report which the Board, in turn, can submit to the Department of Justice."

Approved unanimously.

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Telegram to Mr. Gilbert, President of the Federal Reserve Bank of Dallas, stating that, subject to conditions of membership numbered 1 and 2 set forth in the Board's Regulation H and the special condition specifically stated hereafter, the Board approves the application of the Anthony State Bank, Anthony, Texas, for membership in the Federal Reserve System, effective if and when the bank is authorized to commence business by appropriate State authorities:

3. At the time of admission to membership, such bank shall have a paid-up and unimpaired capital stock of not less than \$75,000 and other capital funds of not less than \$37,500.

The telegram also contained the following statement:

"It appears that the bank possesses authority to exercise certain powers not usual to commercial banking such as the power to issue and sell investment certificates, but it is understood that such powers are not to be exercised. The application has been approved on this basis and attention is called to the fact that under the provisions of condition of membership numbered one if the bank should desire in the future to exercise such powers, it will be necessary for the bank to obtain the permission of the Board of Governors to do so."

Approved unanimously.

Letter to Mr. Paul M. Herzog, Chairman, National Labor Relations Board, Washington, D. C., prepared pursuant to the action taken at the meeting on September 6, 1951, authorizing an administrative hearing to determine whether the license of Master Tire and Supply Company, Lawrence, Massachusetts, a registrant under Regulation W, Consumer Credit, should be suspended:

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"It is understood that informal arrangements have been made for the loan of the services of one of your trial examiners to conduct a hearing on charges of violations of Regulation W, consumer credit, issued by the Board of Governors.

"We are therefore officially requesting that an examiner be detailed to conduct this hearing. The Board of Governors will reimburse the National Labor Relations Board for his salary and any travel expenses involved for the period of time his services are utilized in this detail.

"It will be appreciated if you will confirm this reimbursable detail so that the necessary arrangements may be made for the hearing, probably in the latter part of October."

Approved unanimously.

Press release dated September 11, 1951, reading as follows:

"Since the beginning of the program in September 1950, to July 31, 1951, privately-owned banks in the United States have approved V-loans amounting to \$828,600,000 to American industries engaged in defense work. Under this program, these loans are guaranteed in various percentages of fifty per cent and more by the respective Federal Government agencies, authorized by the Congress under the Defense Production Act of 1950, to make such guarantees. Under the terms of this legislation, the Federal Reserve Banks act as fiscal agents of the United States, under the direction of the Board of Governors.

"Of the 568 applications for these guaranteed loans authorized, approximately twenty per cent were for amounts under \$100,000, forty per cent for amounts under \$250,000, and sixty per cent for amounts under \$500,000, as shown in the following table:

Amount of Loan	Per cent of total number of loans	Cumulative percentage distribution
Under \$25,000	4.2	4.2
\$25,000 - \$49,999	4.8	9.0
\$50,000 - \$99,999	12.8	21.8

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"Amount of Loan	Per cent of total number of loans	Cumulative percentage distribution
\$100,000 - \$249,999	19.5	41.3
\$250,000 - \$499,999	20.1	61.4
\$500,000 - \$999,999	15.5	76.9
\$1,000,000 - \$4,999,999	17.5	94.4
\$5,000,000 - \$9,999,999	2.6	97.0
\$10,000,000 and over	3.0	100.0

"Of the total number of guaranteed loans authorized, about fifteen per cent were obtained by borrowers with total assets of under \$100,000, and approximately fifty per cent by borrowers with assets of under \$500,000. The percentage distribution of the number of loans by size of borrower is shown in the following table:

Assets of Borrower	Per cent of total number of loans	Cumulative percentage distribution
Under \$25,000	1.6	1.6
\$25,000 - \$49,999	3.5	5.1
\$50,000 - \$99,999	9.5	14.6
\$100,000 - \$249,999	17.3	31.9
\$250,000 - \$499,999	18.6	50.5
\$500,000 - \$999,999	15.9	66.4
\$1,000,000 - \$9,999,999	27.4	93.8
\$10,000,000 - \$49,999,999	5.1	98.9
\$50,000,000 and over	1.1	100.0"

Approved unanimously.

Letter to the Honorable, The Comptroller of the Currency,
Treasury Department, Washington, D. C., reading as follows:

"It is respectfully requested that you place with the Bureau of Engraving and Printing an order for printing 10,000,000 additional sheets of Federal Reserve notes during the fiscal year ending June 30, 1952. This is a supplemental order to the order for 52,225,000 sheets, contained in our letter of June 21, 1951.

"Information as to the distribution of these 10,000,000 sheets by Federal Reserve Bank and denomination

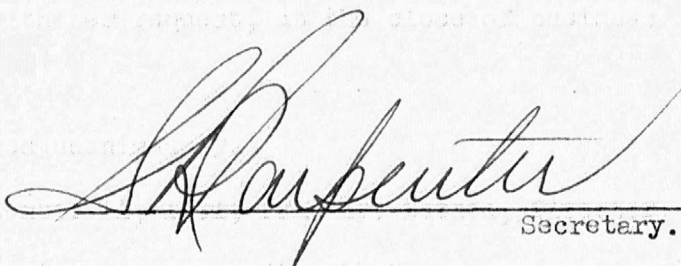
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"will be supplied at a later date."

Approved unanimously.

Memorandum dated September 11, 1951, from Mr. Vest, General Counsel, recommending, for the reasons stated therein, that the 1951 budget for the Legal Division for telephone and telegraph expenses be increased by an additional \$700.

Approved unanimously.


Secretary.