

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, October 5, 1951.

PRESENT: Mr. Martin, Chairman
Mr. Szymczak
Mr. Vardaman
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 October 4, 1951, were approved unanimously.

Minutes of the meeting of the Board of Governors of the Federal Reserve System with the Presidents of the Federal Reserve Banks held on October 4, 1951, were approved unanimously.

Telegrams to the Federal Reserve Banks of Boston, New York, Philadelphia, Atlanta, Chicago, St. Louis, Kansas City, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of St. Louis on October 1, by the Federal Reserve Banks of Chicago and San Francisco on October 2, by the Federal Reserve Banks of Atlanta and Kansas City on October 3, by the Federal Reserve Banks of New York and Philadelphia on October 4, and by the Federal Reserve Bank of Boston today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated October 2, 1951, from Mr. Bethea, Director, Division of Administrative Services, recommending that the resignation

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of Mrs. Patricia A. Rollins, Page in that Division, be accepted to be effective, in accordance with her request, at the close of business October 12, 1951.

Approved unanimously.

Letter to Mr. Clarke, Secretary of the Federal Reserve Bank of New York, reading as follows:

"Thank you for your letter of September 21, 1951, advising the Board that Mr. John S. Morgan has been granted a leave of absence without pay for six months, commencing about the end of this month, in order that he may serve as Assistant to the Economic Adviser of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, Beyrouth, Lebanon.

"The Board of Governors will interpose no objection to the arrangements which have been made by the Federal Reserve Bank as stated in your letter."

Approved unanimously.

Telegram to Mr. Sanford, Assistant Vice President of the Federal Reserve Bank of New York, reading as follows:

"Your wire October 4. Board approves granting of loan or loans by your Bank to Banco De Guatemala not to exceed \$5,000,000 in the aggregate at any time outstanding on the following terms and conditions:

- A. Such loan or loans to be made up to 98 per cent of the value of gold bars set aside in your vaults under pledge to you;
- B. Such loan or loans to run for three months but may be repaid at any time before maturity;
- C. Any such loan or loans to be requested and made on or before February 1, 1952;
- D. Each such loan to bear interest from the date such loan is made until paid at the discount rate of this bank in effect on the date on which such loan is made;

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"E. The amount advanced at any one time and the amount repaid at any one time to be in round amounts of not less than \$500,000.

"It is understood that the usual participation will be offered to the other Federal Reserve Banks."

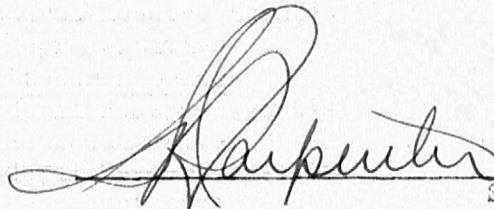
Approved unanimously.

Telegram to Mr. James A. Dick, Jr., James A. Dick Company,
El Paso, Texas, reading as follows:

"Board of Governors of the Federal Reserve System has appointed you director of the El Paso Branch of the Federal Reserve Bank of Dallas for three-year term beginning January 1, 1952 and will be pleased to have your acceptance by collect telegram.

"It is understood that you are not a director of a bank and do not hold public or political office. Should your situation in these respects change during the tenure of your appointment, it will be appreciated if you will advise the Chairman of the Board of Directors of the Federal Reserve Bank of Dallas."

Approved unanimously.



Secretary.