

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, August 1, 1952.

PRESENT: Mr. Szymczak, Chairman pro tem.
Mr. Mills

Mr. Carpenter, Secretary
Mr. Kenyon, Assistant Secretary

Telegrams to the Federal Reserve Banks of Atlanta, Chicago, St. Louis, Kansas City, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Banks of St. Louis and San Francisco on July 29, by the Federal Reserve Banks of Chicago and Kansas City on July 31, and by the Federal Reserve Bank of Atlanta on August 1, 1952, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Letter to Mr. Sproul, President, Federal Reserve Bank of New York, reading as follows:

"Enclosed are copies of:

"(1) Letter of July 9, 1952, from Mr. G. W. Garwood, Deputy Comptroller of the Currency, concerning possible violations of Regulations T and U by Garvin, Bantell & Co., 120 Broadway, New York City, The First National Bank of Scranton, and possibly other national banks.

"(2) Our reply to Mr. Garwood.

"It seems desirable to have a fuller picture of all the relevant facts and circumstances. In view of the fact that Garvin, Bantell & Co. is a member of the New York Stock Exchange, it will be appreciated if you will advise the Exchange of the nature of the possible violations, and request that as soon as practicable it give to you, for submission to the Board, a full report regarding the relevant facts and any action taken.

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"Although there appears to be no reason to believe that Bankers Trust Co. has any information concerning the transactions involved in the securities for which it acts as custodian, it will also be appreciated if you will make such inquiry of that institution as may seem appropriate.

"It is assumed, of course, that you will avoid quoting from any examination reports or making any reference to them, and it would seem unnecessary to disclose the fact that any information came from the office of the Comptroller of the Currency."

Approved unanimously.


Secretary.