

7/20/52 Minutes of actions taken by the Board of Governors of the
Federal Reserve System on Tuesday, September 30, 1952.

PRESENT: Mr. Martin, Chairman
Mr. Evans
Mr. Vardaman

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

Memorandum dated August 27, 1952, from Mr. Marget, Director,
Division of International Finance, recommending the appointment of
Thomas Edward Summers as Economist in that Division, on a temporary
indefinite basis, with basic salary at the rate of \$5,060 per annum,
effective as of the date upon which he enters upon the performance
of his duties after having passed the usual physical examination, and
subject to the completion of a satisfactory employment investigation.

Approved unanimously.

Memorandum dated September 23, 1952, from Mr. Kelleher,
Assistant Director, Division of Administrative Services, recommend-
ing the appointment of Mary A. Weikel as Substitute Telephone Operator
in that Division, on a temporary indefinite basis, with basic salary
at the rate of \$13 per day for each day worked, 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.

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Memoranda from Mr. Young, Director, Division of Research and Statistics, recommending that the basic annual salaries of the following employees be increased in the amounts indicated, effective October 12, 1952:

<u>Date of Memorandum</u>	<u>Name and Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
9/18/52	Orville K. Thompson, Economist	\$6,340	\$7,040
9/25/52	Margaret T. Notter, Clerk	3,190	3,335

Approved unanimously.

Memorandum dated September 19, 1952, from Mr. Marget, Director, Division of International Finance, recommending that Mr. Edward Ames, Economist in that Division, be permitted to teach a seminar in managerial economics at George Washington University one evening a week during the 1952 fall semester.

Approved, Governor Vardaman
voting "no".

Letter to Mr. Erickson, President, Federal Reserve Bank of Boston, reading as follows:

"The Board of Governors approves the appointment of Mr. Arthur A. Bright, Jr., as the officer in charge of the Research Department at the Federal Reserve Bank of Boston with the title of Director of Research and the payment of salary to him at the rate of \$10,000 per annum for the period September 15, 1952, through April 30, 1953.

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"The Board of Governors also approves the payment of salary to Mr. D. Harry Angney as an Assistant Cashier of the Federal Reserve Bank of Boston at the rate of \$8,750 per annum for the period September 15, 1952, through April 30, 1953.

"The salaries approved above are the rates fixed by the Board of Directors as indicated in your letter of September 19, 1952."

Approved unanimously.

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

"The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of New York for the period September 15, 1952, through March 31, 1953, at the rates indicated, which are the rates approved by the Executive Committee of the Board of Directors as reported in your letter of September 16, 1952.

<u>"Name</u>	<u>Title</u>	<u>Annual Salary</u>
Paul R. Fitchen	Assistant Vice President	\$13,500
Lawrence E. Quackenbush	Manager	10,000
Edward G. Guy	Assistant Counsel	10,500
Arthur H. Willis	Assistant Secretary	10,000

"It is noted from your letter that certain changes have been made in the assignments of Assistant Vice Presidents Donald J. Cameron, Felix T. Davis, and Marcus A. Harris. It is further noted that, by reason of the suspension of Regulation X, the Real Estate Credit Department has been abolished and that the assignment of Mr. Walter C. Warner as Manager of that department has been terminated but that Mr. Warner continues as Manager of the Credit and Discount Departments."

Approved unanimously.

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

"In accordance with the request contained in your letter of September 17, 1952, the Board approves the appointments of Hugh Montgomery and Michael M. Mulligan as assistant examiners for the Federal Reserve Bank of New York.

"Please advise us of the dates upon which the appointments become effective."

Approved unanimously.

Telegram to Mr. Woolley, Vice President, Federal Reserve Bank of Kansas City, reading as follows:

"Reurlet September 23, 1952. Board approves appointment of William J. Barry as an assistant examiner for the Federal Reserve Bank of Kansas City. Advise effective date. It is understood that Mr. Barry will not be authorized to examine any bank to which he may be indebted."

Approved unanimously.

Letter to the Board of Directors, The Fidelity Bank, Durham, North Carolina, reading as follows:

"Pursuant to your request submitted through the Federal Reserve Bank of Richmond, the Board of Governors approves the establishment and operation of a branch at the corner of Vickers Avenue and Jackson Street, Durham, North Carolina, by The Fidelity Bank, provided such branch is established within six months from the date of this letter."

Approved unanimously, for transmittal through the Federal Reserve Bank of Richmond.

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Letter to the Board of Directors, American Trust Company,
Charlotte, North Carolina, reading as follows:

"Pursuant to your request submitted through the Federal Reserve Bank of Richmond, the Board of Governors approves the establishment and operation of a branch at the corner of West Morehead Street and Walnut Avenue, Charlotte, North Carolina, by the American Trust Company, provided such branch is established within six months from the date of this letter."

Approved unanimously, for
transmittal through the Federal
Reserve Bank of Richmond.

Letter to the Board of Directors, Southern Commercial and
Savings Bank, East Pasadena, California, reading as follows:

"Pursuant to your request submitted through the Federal Reserve Bank of San Francisco, the Board of Governors of the Federal Reserve System approves the establishment and operation of a branch at 8254 Garvey Boulevard, South San Gabriel, California, by Southern Commercial and Savings Bank, East Pasadena, California, provided the branch is established by November 14, 1952, as required by the State authorities."

Approved unanimously, for
transmittal through the Federal
Reserve Bank of San Francisco.

Letter to the Presidents of all Federal Reserve Banks and
the Vice Presidents in charge of the Detroit and Los Angeles Branches,
reading as follows:

"There is enclosed a copy of a memorandum from the Department of Defense dated September 24, 1952, which gives the reasons why the Contract Finance Committee regards unfavorably a recent proposal made by a financing institution

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"that in multiple bank V-loan cases the responsibility of making reports to the Reserve Bank on the borrower's condition, as required under Section 11 of the Guarantee Agreement, be limited to the Agent Bank named in the loan agreement."

Approved unanimously.

Letter to the Board of Directors of the Farmers and Merchants Bank, Columbia, Tennessee, stating that, subject to conditions of membership numbered 1 and 2 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Atlanta. The letter also contained the following paragraphs:

"The Board of Governors also approves the retention and operation of the out-of-town branches located at Spring Hill, Tennessee, and at Mount Pleasant, Tennessee.

"It appears that the bank is authorized to exercise trust powers but is not doing so and that it possesses certain other powers which are not being exercised and which are not necessarily required in the conduct of a banking business, such as the powers to guarantee the payment of bonds and mortgages owned by others and to guarantee titles to real estate. Attention is invited to the fact that if the bank desires to exercise any powers not actually exercised at the time of admission to membership, it will be necessary under condition of membership numbered 1 to obtain the permission of the Board of Governors before exercising them. In this connection, the Board understands that there has been no change in the scope of the corporate powers exercised by the bank since the date of its application for membership."

Approved unanimously, for
transmittal through the Federal
Reserve Bank of Atlanta.

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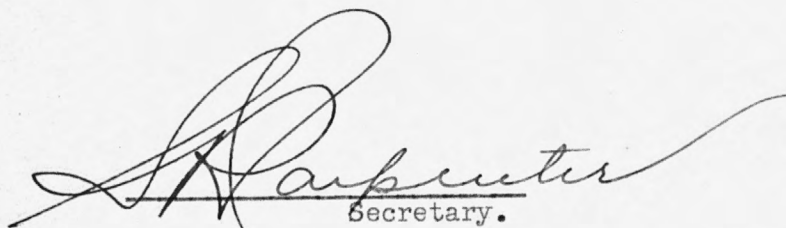
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Letter to Mr. Gilbert, President, Federal Reserve Bank
of Dallas, reading as follows:

"Reference is made to your letter of September 11,
1952, in which you advised that it appears expenses for
your head office and branches will exceed the 1952 budget
estimates in the amounts indicated.

"The Board accepts the revised figures as submitted
and appropriate notations are being made in the Board's
records."

Approved unanimously.


Secretary.