

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Tuesday, December 2, 1952.

PRESENT: Mr. Vardaman, Acting Chairman  
Mr. Robertson

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

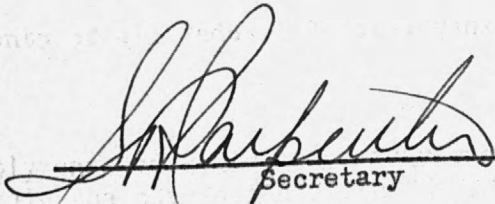
Letter to Mr. S. P. Robinson, Jr., President, Savings Investment and Trust Company, 525 Main Street, East Orange, New Jersey, reading as follows:

"This refers to your letter of November 12, 1952, in which you make application to the Board of Governors, in connection with a proposed consolidation of the National Newark and Essex Banking Company, Newark, New Jersey, and the Savings Investment and Trust Company, for a determination of the fair value of the assets of the Trust Company pursuant to section 16 of Article 4 of its amended certificate of incorporation. As explained to you by telephone, promptly upon receipt of your letter this matter was taken up with the Reconstruction Finance Corporation, since it is the Government agency principally concerned. Section 16 of Article 4 of your certificate of incorporation appears to contemplate that if the Board of Governors should decline to make the determination desired, then it would be made by persons and in a manner satisfactory to the holders of the Class A stock, i.e., the Reconstruction Finance Corporation. We now understand that arrangements have been made by the Reconstruction Finance Corporation under which this determination will be made by persons to be designated by it. Since the Board of Governors feels that it is more appropriate to have the determination made by other persons as designated by the Reconstruction Finance Corporation and it is understood that this is now found to

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"be practicable, the Board will not make the determination. We trust that this will prove to be a satisfactory disposition of the matter."

Approved unanimously, with copies to Mr. Wiltse, Vice President, Federal Reserve Bank of New York, and the Reconstruction Finance Corporation, Washington, D. C. (Attention: Mr. H. J. Seeley, Loan Examiner).

  
Secretary