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Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, November 30, 1953. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman

Mr. Szymczak

Mr. Evans

Mr. Vardaman

Mr. Robertson

Mr. Sherman, Assistant Secretary

Mr. Kenyon, Assistant Secretary

Mr. Thurston, Assistant to the Board

Consideration was given to the appointment of directors of Federal Reserve Bank branches, as of January 1, 1954, to replace directors ineligible for reappointment and to fill vacancies existing for other reasons. The discussion was based on data which had been sent to the Board by the Division of Personnel Administration and on statements made by Chairman Martin and other members of the Board as the result of discussions that they had had concerning the situation at various branches.

Actions as stated below were taken by unanimous vote:

The Chairmen of the respective Federal Reserve Banks concerned were requested to ascertain and advise the Board whether the following persons would accept appointment, if tendered, as directors of the Federal Reserve Bank branches indicated for three-year terms each beginning January 1, 1954:

<u>Name</u>	<u>Branch</u>
D. Ernest Matthews, (engaged in chicken business) Salisbury, Maryland.	Baltimore

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<u>Name</u>	<u>Branch</u>
Adolph Weil, Weil Brothers, Montgomery, Alabama.	Birmingham
Frank B. Ward, Dean, College of Business Administration, University of Tennessee, Knoxville, Tennessee.	Nashville
E. E. Wild, Rice farmer, Midland, Louisiana.	New Orleans
David F. Cocks, Vice President and Treasurer, Standard Oil Company (Kentucky), Louisville, Kentucky.	Louisville
John D. Williams, Chancellor, University of Mississippi, University, Mississippi.	Memphis

The Chairmen of the respective Federal Reserve Banks concerned were requested to ascertain and advise the Board whether the following persons would accept appointment, if tendered, as directors of the Federal Reserve Bank branches indicated, effective January 1, 1954, for the unexpired portion of terms ending December 31, 1954:

<u>Name</u>	<u>Branch</u>
Clarence R. Zarfoss, Vice President, Western Maryland Railway, Baltimore, Maryland.	Baltimore
A. E. Hohenberg, Cotton merchant, Memphis, Tennessee.	Memphis

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<u>Name</u>	<u>Branch</u>
Carl McFarland, President, Montana State University, Missoula, Montana.	Helena

Chairman Martin reported having been advised by Chairman Shepard that Mr. G. R. Milburn, who was reappointed on November 20, 1953, as director of the Helena Branch of the Federal Reserve Bank of Minneapolis for the two-year term beginning January 1, 1954, had expressed a desire to be relieved of this office within the next few months due to the pressure of other business connections.

There was a discussion of vacancies in the boards of directors of Federal Reserve Bank branches which remained to be filled, but no action was taken at this time and it was understood that the Division of Personnel Administration would submit a new statement to the Board covering these vacancies.

The meeting then adjourned. During the day the following additional actions were taken by the Board with all of the members except Governor Mills present:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on November 27, 1953, were approved unanimously.

Telegram to Mr. Harllee Branch, Jr., President, Georgia Power Company, Atlanta, Georgia, prepared pursuant to action taken at the meeting on November 16, 1953, and reading as follows:

Board of Governors of the Federal Reserve System has appointed you Class C director of Federal Reserve Bank of Atlanta

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for three-year term beginning January 1, 1954, and will be pleased to have your acceptance by collect telegram.

It is understood that you will relinquish all commercial bank affiliations and dispose of any bank stock you may own in order to qualify as a Class C director.

The Board will issue later a press statement on appointments of directors at all Federal Reserve Banks and Branches. It would be appreciated if any announcement of your appointment could be deferred until release of Board's statement.

Approved unanimously.

Telegram to Mr. Leslie N. Perrin, Director, General Mills, Inc., Minneapolis, Minnesota, prepared pursuant to action taken at the meeting on November 27, 1953, and reading as follows:

Board of Governors of the Federal Reserve System has appointed you Deputy Chairman at Federal Reserve Bank of Minneapolis for the year 1954, and will be pleased to have your acceptance by collect telegram.

As previously indicated to you, the Board will issue later a press statement on appointments at all Reserve Banks and Branches and it will be appreciated if any announcement of your appointment as Deputy Chairman could be deferred also until release of Board statement.

Approved unanimously.

Letter to The First National Bank of Clifton Forge, Clifton Forge, Virginia, reading as follows:

The Board of Governors of the Federal Reserve System has given consideration to your supplemental application for fiduciary powers and grants you authority to act, when not in contravention of State or local law, as receiver, committee of estates of lunatics, or in any other fiduciary capacity in which State banks, trust companies or other corporations which come into competition with national banks are permitted to act under the laws of the State of Virginia. The exercise of these powers, in addition to those heretofore

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granted to act as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, and assignee, shall be subject to the provisions of the Federal Reserve Act and the regulations of the Board of Governors of the Federal Reserve System.

A formal certificate indicating the fiduciary powers which The First National Bank of Clifton Forge is now authorized to exercise will be forwarded to you in due course.

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

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

Referring to your letter of November 20, the Board further extends until January 25, 1954 the time within which Harris Trust and Savings Bank, Chicago, Illinois, shall file the report of Larcon Company, its affiliate, as of September 30, 1953.

Please continue to keep the Board advised of any material change in the status of the affiliation which may occur prior to the expiration of this extension period.

Approved unanimously.

Letter to the Comptroller of the Currency, Treasury Department, Washington, D. C., (Attention: Mr. W. M. Taylor, Deputy Comptroller of the Currency) reading as follows:

Reference is made to a letter from your office dated October 20, 1953, enclosing photostatic copies of an application to organize a national bank at Moline, Illinois, and requesting a recommendation as to whether or not the application should be approved.

A report of investigation of the application made by a representative of the Federal Reserve Bank of Chicago discloses generally favorable findings with respect to the factors usually considered in connection with such applications, except that arrangements had not been made for

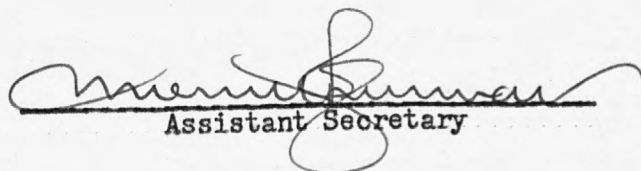
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active management of the proposed bank. The Board of Governors, therefore, recommends approval of the application provided the bank is placed under a management satisfactory to your office.

We are informed that the applicants for this national bank charter had previously applied for a permit to organize a bank at the same location and it is assumed that a national charter will not be issued if the applicants proceed with the organization of a State bank.

The Board's Division of Examinations will be glad to discuss any aspects of this case with representatives of your office, if you so desire.

Approved unanimously.


Assistant Secretary