

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, February 3, 1954. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Szymczak, Acting Chairman
Mr. Evans
Mr. Vardaman
Mr. Mills
Mr. Robertson

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Kenyon, Assistant Secretary
Mr. Thurston, Assistant to the Board
Mr. Solomon, Assistant General Counsel

The following requests for travel authorization were presented:

<u>Name and title</u>	<u>Duration of travel</u>
Arthur H. Lang, Chief Federal Reserve Examiner, Division of Examinations	Calendar year ending December 31, 1954

To travel within the limits of the continental United States, under instructions from the Division of Examinations, to examine Federal Reserve Banks, member banks of the Federal Reserve System, and corporations operating under the provisions of sections 25 and 25(a) of the Federal Reserve Act, for all purposes of the Federal Reserve Act and of all other acts of Congress pertaining to examinations made by, for, or under the direction of the Board of Governors of the Federal Reserve System.

Arthur W. Marget, Director, Division of International Finance	February 4-5, 1954
---	--------------------

Kenneth A. Kenyon, Assistant Secretary	February 5, 1954
--	------------------

To attend a meeting of the Staff Group on Foreign Interests to be held at the Federal Reserve Bank of New York on February 5, 1954.

Approved unanimously.

Governor Vardaman suggested that it might be helpful to the Board if there was prepared each year a statement showing, to the extent possible,

2/3/54

-2-

meetings to be held during the year which would involve attendance on the part of members of the Board's staff. He felt that in this way it would be possible to establish an over-all policy with respect to meetings, and that the Board therefore would be in a better position to pass on requests for travel authorization presented throughout the year.

Following a discussion of Governor Vardaman's suggestion, the Secretary was requested to consider the preparation of a statement of the type indicated.

Mr. Carpenter stated that Mr. Leedy, President of the Federal Reserve Bank of Kansas City, called him on the telephone yesterday and presented a question which had arisen in connection with the forthcoming special election of a Class B director of the Kansas City Bank to replace Mr. L. C. Hutson, who was reelected last year but died after the ballots had been cast. The Kansas City Bank had sent to each participating member bank a nomination blank in the usual form, and one individual seeking nomination had reproduced the form, had typewritten his name on the form, and had distributed copies to the participating banks with a request that the banks use that form when sending in their nominations. Several of these forms had been received by the Reserve Bank, and a member bank had raised the question whether they should be held to be valid. President Leedy pointed out that whereas banks voting in the election of Reserve Bank directors must use ballots furnished by the Chairman of the

2/3/54

-3-

Reserve Bank, there is nothing in the law or election procedure specifying that the form furnished by the Federal Reserve Bank shall be used in making nominations. Therefore, it was his opinion, in which Chairman Hall concurred, that there was no reason why the nomination blanks in question should be considered invalid. However, since the question had been raised, they requested the views of the Board.

Following a discussion of the matter, it was agreed that there appeared to be no grounds for objecting to the manner in which the nominations in question had been submitted, and it was understood that the Secretary would so advise President Leedy informally.

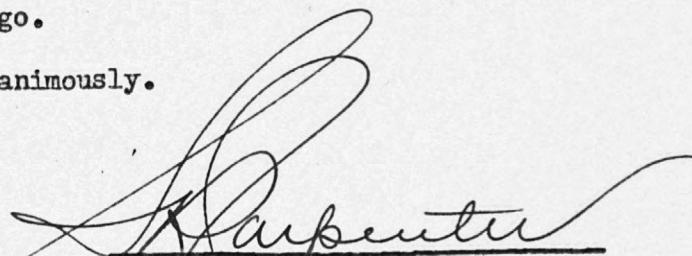
The meeting then adjourned. During the day the following additional actions were taken by the Board with all of the members present:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on February 2, 1954, were approved unanimously.

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

In accordance with the request contained in your letter of January 26, 1954, the Board approves the designation of Lynn C. Curtiss as a special assistant examiner for the Federal Reserve Bank of Chicago.

Approved unanimously.


Secretary