

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, July 23, 1954.

PRESENT: Mr. Martin, Chairman
Mr. Vardaman

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

Memorandum dated July 20, 1954, from Mr. Young, Director, Division of Research and Statistics, recommending that the resignation of Margaret F. Ebenfield, Clerk - Economic Editing in that Division, be accepted effective August 6, 1954.

Approved unanimously.

Telegrams to the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Banks of Boston, St. Louis, and Kansas City on July 19, by the Federal Reserve Bank of San Francisco on July 21, and by the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Atlanta, Minneapolis, and Dallas on July 22, 1954, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Letter to the Presidents of all Federal Reserve Banks reading as follows:

A State member bank has raised the question of the proper procedure to be followed in disposing of copies of reports of examination made by examiners for the Federal Reserve Banks,

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particularly copies of reports of examination of State member banks which the inquiring bank may have absorbed by merger or other means.

There is a possibility that the same question may be raised by other State member banks. In the interest of uniform procedures, it will be appreciated if you will advise any State member bank in your district which may inquire that, while it is believed to be preferable that examination reports be retained by a member bank so that they can be readily referred to, should the bank wish to dispose of any reports of examination made by examiners for the Federal Reserve Banks, they should be returned to the Federal Reserve Bank. If you think it desirable to do so, there would be no objection to sending such advice to all State member banks in your district.

Any copies of reports of examination so returned to your Bank may be destroyed by incineration or other effective means.

Approved unanimously.

Letter to Mr. Hill, Vice President, Federal Reserve Bank of Philadelphia, reading as follows:

Your letter of July 15, 1954 transmitting a copy of a letter dated July 12, 1954 from William F. Kelly, Executive Vice President, The Pennsylvania Company for Banking and Trusts, Philadelphia, Pennsylvania, requesting withdrawal of that bank's application on behalf of its wholly owned affiliate, The Colonial Surety Company, to increase the amount of risk assumed by the affiliate from 10 per cent to 20 per cent on automobile insurance being written, has been brought to the attention of the Board.

In view of this request, the Board will take no further action with respect to the application referred to, which was transmitted to the Board in your letter of May 28, 1954.

Approved unanimously.

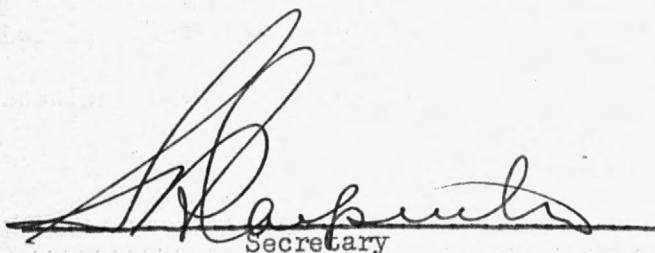
Memorandum dated July 21, 1954, from the Office of the Secretary and the Division of International Finance, recommending that luncheons be given in the Board's dining rooms on September 27 and 28, 1954, for central bank officials attending the Ninth Annual Meeting of the

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Boards of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development.

Approved unanimously, with the understanding that the guest list would be divided between the two days, and that the Board would pay the cost of the two luncheons.



Secretary