

Minutes for January 19, 1956

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, if you were present at the meeting, please initial in column A below to indicate that you approve the minutes. If you were not present, please initial in column B below to indicate that you have seen the minutes.

	A	B
Chm. Martin	X <u>MM</u>	_____
Gov. Szymczak	X <u>MS</u>	_____
Gov. Vardaman	X <u>SV</u>	_____
Gov. Mills	X <u>SM</u>	_____
Gov. Robertson	X <u>R</u>	_____
Gov. Balderston	X <u>CCB</u>	_____
Gov. Shepardson	X <u>SS</u>	_____

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, January 19, 1956. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman
Mr. Balderston, Vice Chairman
Mr. Szymczak
Mr. Vardaman
Mr. Mills
Mr. Robertson
Mr. Shepardson

Mr. Carpenter, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Vest, General Counsel
Mr. Sloan, Director, Division of Examinations
Mr. Dembitz, Assistant Director, Division of International Finance
Mr. Solomon, Assistant General Counsel
Mr. Goodman, Assistant Director, Division of Examinations
Mr. Tamagna, Chief, Financial Operations and Policy Section, Division of International Finance

Pursuant to an invitation extended in accordance with the Board's action on January 5, 1956, Mr. Russell G. Smith was present on behalf of Bank of America, New York, New York, for the purpose of expressing his views regarding the proposed revision of the Board's Regulation K, Banking Corporations Authorized to Do Foreign Banking Business under the Terms of Section 25(a) of the Federal Reserve Act. Mr. Smith, who is Executive Vice President of Bank of America National Trust & Savings Association, San Francisco, California, and of Bank of America, was accompanied by Mr. Henry A. J. Ralph, Vice President and Manager of the Home Office, Bank of America.

1/19/56

-2-

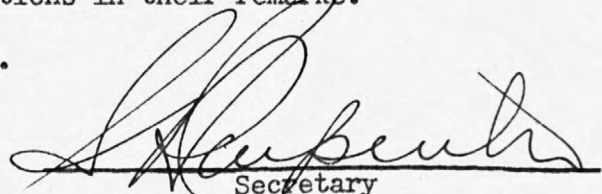
A stenographic reporter made a record of the meeting, and a copy of the transcript is being placed in the Board's files. In this connection, it was understood that a copy of the transcript would be submitted to Mr. Smith in order that he might make such corrections in his remarks as he desired.

After Mr. Smith's statement and the ensuing discussion, the meeting recessed and reconvened at 2:30 p.m. with the same attendance on the part of the Board and its staff as at the morning session, except that Messrs. Riefler, Assistant to the Chairman, and Young, Director, Division of Research and Statistics, also were present.

Mr. Henry C. Alexander was present at this time for the purpose of presenting views regarding the proposed revision of Regulation K which he had previously expressed to Governor Szymczak. Mr. Alexander, who is Chairman of the Board of J. P. Morgan & Co., New York, New York, and Chairman of the Executive Committee of Morgan & Cie. Incorporated, also of New York, was accompanied by Mr. J. Delafield DuBois, Vice President and Secretary of J. P. Morgan & Co. and Assistant Secretary of Morgan & Cie. Incorporated.

A stenographic record of this meeting also was made, and a copy of the transcript is being placed in the Board's files. It was understood that a copy would be submitted to Messrs. Alexander and DuBois so that they might make any desired corrections in their remarks.

The meeting then adjourned.


Secretary