

At a regular meeting of the Executive Committee of the Federal Reserve Board, held in the office of the Vice Governor, at 11:45 a. m., on Tuesday, April 27,

PRESENT:

Mr. Delano, presiding Mr. Harding

Mr. Warburg Mr. Willis, Secretary.

The Vice Governor stated to the Committee that the chief subject for discussion was the question of employing additional or special Counsel for the Board. The subject was discussed and it was finally agreed to report to the Board that after full consideration and after consultation with Counsel Elliott, it was thought best to recommend the appointment of a special Counsel, who should act in an advisory capacity to the Board. It was finally recommended that the appointment be made on a basis of a general retainer and that a proper title be devised. It was further agreed to state to the Board that after looking over the list of available men, it was believed that Joseph P. Cotton of New York, would be a suitable person for the appointment. The Committee agreed to recommend

that Mr. Cotton be invited to come to Washington for consultation with a Committee of the Board and that the Executive Committee be authorized to invite him, and upon his arrival to endeavor to make a mutually satisfactory arrangement upon a retainer basis. The Committee further agreed to suggest to the Board that the financial arrangement could probably be completed on the basis of a fee of not over \$5,000. per annum, with the understanding that Mr. Cotton would not accept a retaining fee during such service from any bank or trust company.

The Vice Governor presented to the Committee a memorandum from the First National Bank of Haverhill, Massachusetts, relative to withdrawal of deposits by the State of Massachusetts from National banks which have established savings departments. The Secretary was directed to telegraph the Federal Reserve Agent at Boston and to ask him to be present at a meeting of the Governors and Council of Massachusetts, scheduled for the 28th instant and to state to him the general situation giving rise to this request. The Secretary was directed to consult the Counsel of the Board and obtain ad-



vice as to the proper form of telegram to be sent.

On motion, at 12:00 noon, the Committee adjourned.

*A. Parker Willis*  
Secretary.

APPROVED:

*A. Parker Willis*

Chairman.