

At a regular meeting of the Federal Reserve Board held in the office of the Governor of the Board at 11:10 a. m., on Monday, May 29,

PRESENT:

Mr. Hamlin, presiding Mr. Warburg

Mr. Delano Mr. Miller

Mr. Allen, Secretary.

The minutes of the meeting of May 25 were read and approved.

It was agreed that a subscription paper for Flag Day exercises, June 14, should be circulated among members of the Board, but not among employees.

Attention was called to a letter from the Federal Reserve Agent at New York transmitting resolutions of Group 6, New York Bankers' Association, and the letter was referred to the Committee on Clearing.

11 A letter from the Federal Reserve

Agent at New York stating an agreement with Mr. James Brown of Brown Brothers & Company to furnish information justifying the placing of the name of that firm upon the list of private bankers whose acceptances are eligible for purchase by Federal reserve banks, was read, and the following telegram authorized:

Federal Reserve Agent,
New York City.

Replying request contained your letter May twenty-fifth, Board deems the information to be obtained in statement from firm concerned to be satisfactory, and is, therefore, approved.

(Signed) C. S. HAMLIN

Governor. //

The request of the Federal Reserve Agent at New York for \$3,000,000 in Federal reserve notes of the \$5 denomination, recommended by the Committee on Issue and Redemption, was approved.

Formal approval was given to the re-

quest of the Harriman National Bank for permission to accept to 100 per cent of its capital and surplus, which had been informally approved on May 26.

The report of the Committee on Member and State Banks, making the following recommendations, was approved:

1. That the applications of the following banks for power to act as trustee, executor, administrator, and registrar of stocks and bonds, be approved:

First National Bank, Nanticoke, Pa.
First National Bank, Corvallis, Oregon.
First National Bank, Denver, Colorado.
Beverly Nat'l Bank, Beverly, Mass.
Calcasieu Nat'l Bank, Lake Charles, La.

2. That the application of the following bank for permission to exercise the powers of trustee, executor, and administrator, be approved:

Atlantic Highlands
National Bank, Atlantic Highlands,
N. J.

3. That the following applications for permission to exercise the powers of trustee, executor, administrator, and registrar of stocks and bonds, be held pending the receipt of report of another examination:

First National Bank,	Red Oak, Iowa.
Merchants Nat'l Bank,	South Bend, Ind.
First National Bank,	Logansport, Ind.

4. That the application of the following bank for permission to exercise the powers of trustee, executor, administrator, and registrar of stocks and bonds, be refused:

National Bank of Commerce, Pensacola, Fla.

Applications for stock in Federal reserve banks, duly recommended by Mr. Harding as chairman of the Committee on Member and State Banks, were approved as follows:

DISTRICT No. 8. Shares.

Lee County Nat'l Bank Marianna, Ark. 36

DISTRICT No. 9.

First National Bank Carthage, S. D. 18

The recommendation of Mr. Delano of the Committee on Staff, that Harvey Nicholson be employed during the vacation period from June 17 to September 23, at \$60 per month, was approved by the Board.

The Secretary was directed by the Governor to docket for a meeting of the Board the opinion of Counsel on the application of the Clayton Act to private bankers.

The general policy followed in conducting the New Orleans Branch of the Federal Reserve Bank of Atlanta, together with a memorandum from the Chief of the Division of Audit and Examination indicating the purchase by the Branch of acceptances not conforming with the regulations of the Board, was referred to a special committee consisting of Mr. Warburg and Mr. Harding.

Mr. Williams came to the room at this point.

Consideration was given to the necessity for obtaining additional space for the use of the office of Counsel for the Board, and the whole question of quarters for the Board was referred to a special committee consisting of Mr. Delano and Mr. Harding.

It was agreed that the recommendations contained in a report of the Committee on Audit and Examination, dated May 2, should, so far as such recommendations relate to the salaries of chief national bank examiners, be approved.

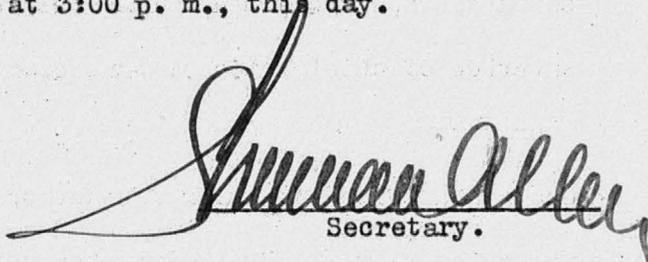
Governor Hamlin was authorized to write to Mr. T. P. Beal of Boston conveying the opinion of Counsel for the Board as to the 10% limitation on loans by national banks, and its application to acceptances. Mr. Williams, answering an inquiry, stated that he concurred in the opinion, but that it should be stated that where the limit was exceeded by a bank, it

should exercise due diligence to reduce the amount.

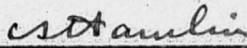
Mr. Williams left the room at this point.

Governor Hamlin was authorized to, if necessary, purchase and to have bound at the expense of the Board, twenty-five copies of his Index-Digest of the Clayton Act.

At 12:10 p. m., the Board adjourned to meet at 3:00 p. m., this day.


Secretary.

APPROVED:


Chairman.