

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of Mr. Miller at 10:30 a.m. September 2, 1922.

PRESENT: Mr. Miller
Mr. Crissinger
Mr. Hoxton, Secretary

With reference to a letter of August 25th, from the Federal Reserve Agent at San Francisco, which yesterday was referred by the Board to the Executive Committee, Mr. Miller submitted the following telegram dated September 1st, 1922, addressed to the Federal Reserve Board, by

Mr. Perrin:

"Replying to Board's telegram. I am in receipt of a letter from Superintendent of Banks Dodge dated today from which I quote as follows: 'In previous discussions I have indicated to you my inability to make satisfactory simultaneous examination of main office and branches of this institution with the force at my disposal. It is necessary therefore that I have your cooperation and I request that this examination of sixteen dash fifty four be a joint one by Federal Reserve Bank and State Banking Department.' Under existing law state department has no authority to employ special assistants in making regular examinations which this is. Present available force of examiners not over twelve of whom only nine are available.' In my opinion state department therefore wholly unable to make simultaneous examination of head office and branches and is consequently unable to make examination unaided which would be satisfactory to Federal Reserve Bank."

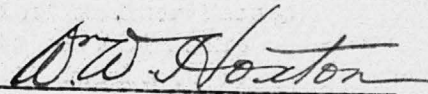
Upon motion the Secretary was instructed to transmit the following reply to the above telegram:

"In view of statements made in your telegram September 1 Board authorizes your bank to make examination of bank mentioned in your letter August 25 and all its branches, such examination to be made in your discretion at same time as examination by State examiners, and you are directed to assess the expenses of such examination by Federal Reserve Bank including the salaries of all officers and employees detailed to such examination against the bank examined. Board approves appointment as assistant examiners of persons listed in your letter. Board

-2-

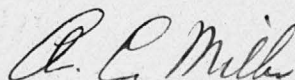
"is of opinion that it would be advisable to establish precedent of examining national bank affiliated with state bank in question at same time, and Comptroller concurring in this view would make the examination of national bank providing state bank examination and your own were deferred for a period of say five or six weeks."

At 10:40 a.m. the meeting adjourned.



Secretary.

Approved:



Acting Chairman, Executive Committee.