A meeting of the Federal Reserve Board was held in the office of the
Board on Wednesday, October 25th, 1922, at 11:10 a.m.

PRESENT: Vice Governor Platt
Mr. Hamlin
Mr. Mitchell
Mr. Crissinger
Mr. Eddy, Assistant Secretary

Minutes of the meeting of the Federal Reserve Board held on October
24th, were read and on motion approved.

The Vice Governor reported the reserve positions of the several Federal
Reserve banks as at close of business October 23rd.

Letter dated October 19th, from the Assistant Federal Reserve Agent
at San Francisco, transmitting with favorable recommendation, the application
of the Mercantile Trust Company to establish a branch at 3301 Sacramento
Street, San Francisco, to be called the Presidio Avenue office, and to be
one of the thirty branch offices described in the applicant's letter of
September 20th, the establishment of which were heretofore tentatively ap-
proved by the Board.

Approved, Mr. Crissinger voting "no".

Letter dated October 23rd, from the Chairman of the Board of Directors
of the Federal Reserve Bank of Atlanta, advising of the resignation of
Mr. C. B. Starnell, an examiner in the Auditing Department, effective
October 31st, 1922.

Noted.

Letter dated October 24th, from the Comptroller of the Currency,
recommending approval of a salary of $4500 per annum for Mr. Charles C. Otto,
National Bank Examiner in the Twelfth Federal Reserve District.

Approved.
The Board discussed the advisability of the Federal Reserve banks paying into the Treasury, in the immediate future, such amounts as may be due from them on account of adjustments in franchise tax payments made at the close of previous years.

It was the sense of the meeting that the Federal Reserve banks should pay into the Treasury, in the immediate future, amounts due from them on account of adjustments of franchise tax payments made at the close of previous years, and Mr. Mitchell was requested to consult the Undersecretary of the Treasury prior to the Board advising the banks in the matter.

Letter dated October 23rd, from the Chairman of the Board of Directors of the Federal Reserve Bank of Atlanta, that the directors of that institution had voted to adopt the suggestion made in a memorandum submitted by the Board to the recent Federal Reserve Agents' Conference, limiting the rate of penalty for deficiencies in member banks' reserves, but fixing the maximum penalty rate at 8% instead of 10%, as suggested in the Board's memorandum, and advising also that the directors of said institution had voted to rebate all charges assessed over 8% from the time the bank rebated charges for progressive rates over 12%.

The Vice Governor was requested to advise the Chairman of the Board of Directors of the Federal Reserve Bank of Atlanta that the Board desired to have before it the report of the Agents' Conference before approving action by the Director of an individual Reserve bank, and to state in his letter that the Board will not approve rebate of penalties over 8% but will approve rebate of amounts over 10%.
REPORTS OF COMMITTEE NO. 1.

Dated October 23rd, 1922. Recommending approval of the application of Mr. C. F. Swift to serve at the same time as Director of the Drovers National Bank and the Drovers Trust and Savings Bank, both in Chicago, Illinois. Approved.

At 12:20 p.m. the meeting adjourned.

Approved:

[Signature]

Assistant Secretary.

[Signature]

Vice Governor.