

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, February 21st, at 12:00 a.m.

PRESENT: Vice Governor Platt
 Mr. Hamlin
 Mr. Miller
 Mr. Mitchell
 Mr. Crissinger
 Mr. Hoxton, Secretary

The minutes of the meeting of the Federal Reserve Board held on February 20th were read and on motion approved.

The Vice Governor reported the reserve positions of the several Federal Reserve banks as at close of business February 19th.

Memorandum dated February 20th, from the Secretary of the Board, submitting replies from all Federal Reserve banks except St. Louis, to the Board's circular letter X-3629, dated February 2, 1923, subject, "Open Market Purchases by Federal Reserve Banks".

Ordered circulated.

Upon motion, the Board approved the bond of "Assistant Federal Reserve Agent in an Emergency" Mr. Wardrop, at the Pittsburgh Branch of the Federal Reserve Bank of Cleveland in the amount of \$50,000.

Letter dated February 15th, from the Federal Reserve Agent at San Francisco, transmitting with favorable recommendation, the application of the Pacific Southwest Trust and Savings Bank of Los Angeles, to establish a branch on West Pico Street between Normandie Avenue and Western Avenue, in the vicinity of West Pico Street and South Hobart Boulevard, Los Angeles.

Approved, Mr. Crissinger voting "no".

Telegram dated February 20th, from the Chairman of the Federal

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Reserve Bank of Atlanta as follows: "Building Committee previously authorized by our Board power to act, has obtained exact cost of additional third story Jacksonville Building. Committee unanimously recommended additional contract to complete third story of building including elevator and architect's fees \$40,919.00 making grand total of cost of building, vaults and land \$282,341. and voted to let additional contract on this basis, subject approval Federal Reserve Board."

Upon motion the Secretary was instructed to advise Mr. McCord that the Board interposes no objection to the erection of a three-story building as planned by the Board of Directors of the Federal Reserve Bank of Atlanta, with the distinct understanding that the total cost for building, vaults and real estate shall not be in excess of \$282,341.

The Vice Governor referred to a letter dated February 17th, addressed to him by Mr. Newsome, Federal Reserve Agent at Dallas, in which Mr. Newsome advised that he should like, as soon as practicable, to be relieved of his temporary duties as Federal Reserve Agent and Chairman of the Board of Directors of the Federal Reserve Bank of Dallas.

Upon motion, the Committee on Nomination of Class "C" Directors was requested to report with reference to the appointment at Dallas, and the matter was ordered docketed as special order business for the meeting to be held next Friday, February 23rd at 11:00 a.m.

Memorandum dated February 20th, from the Chief of the Division of Examinations, transmitting a report of examination of the International Acceptance Bank of New York City as of close of business, September 26, 1922.

Ordered circulated.

Memorandum dated February 20th, from the Chief of the Division of Examinations, transmitting a report of examination of the Federal International Banking Company of New Orleans as of close of business, October 14, 1922.

Ordered circulated.

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Memorandum dated February 20th, from the Chief of the Division of Examination transmitting the report of examination of the Federal Reserve Bank at St. Louis, including its branches, as at the close of business December 2, 1922. It was noted that on August 1, 1922, a Currency Assorter at the Louisville Branch was found to be short in his account \$3500, that restitution was made to the bonding company by the man and the members of his family, and that no prosecution was instituted. It was also noted that the Bank had in July 1922, contributed \$200 each to the expenses of six employees who attended the convention of the American Institute of Banking held at Seattle, Washington.

Upon motion, the Secretary was instructed to inquire of the Federal Reserve Bank if the incident of the defalcation at the Louisville Branch had been reported to the Department of Justice with the advice that such report should be made.

The Secretary was also instructed to advise the Federal Reserve Bank of St. Louis that the contribution to the expenses of the six employees who went to the convention at Seattle was without authority of law unless previously submitted to and approved by the Federal Reserve Board.

The Vice Governor stated that he had received a telephone communication from Mr. Case, Deputy Governor of the Federal Reserve Bank of New York, advising that the Board of Directors of that bank had unanimously voted to increase the discount rate upon all classes of paper from 4% to 4 $\frac{1}{2}$ %, effective at the close of business today, subject to the review and determination of the Federal Reserve Board.

Upon motion the rate of 4 $\frac{1}{2}$ %, submitted by the Board of Directors of the Federal Reserve Bank of New York was approved.

Telegram dated February 21st, from the Chairman of the Federal Reserve Bank at Boston, advising that at a meeting of the Board of Directors, it was voted that the rediscount rate be 4 $\frac{1}{2}$ % for all classes and maturities, effective February 23, 1923, subject to the review and determination of the Federal Reserve Board.

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Mr. Miller moved that this matter be laid on the table. Mr. Miller's motion being put by the chair was lost; Mr. Miller and Mr. Crissinger voting "aye"; Mr. Platt, Mr. Hamlin and Mr. Mitchell voting "no".

The Vice Governor then put the question of approval of the action of the Board of Directors of the Federal Reserve Bank of Boston in voting that the rediscount rate be $4\frac{1}{2}\%$ for all classes and maturities of paper, effective February 23rd.

Approved, Mr. Miller and Mr. Crissinger voting "no".

Mr. Mitchell read to the Board a letter which he had recently written to the Chairman of the Federal Reserve Bank of Minneapolis with respect to the new building for that Bank, and especially with respect to the provisions made for vault construction.

Noted with approval.

REPORTS OF COMMITTEE NO. 1

Dated February 21st, Recommending action on applications for changes in stock as set forth in the Auxiliary Minute Book of this date.

Approved.

The meeting adjourned at 1:10 p.m.

D. W. Hoctor
Secretary.

Approved:

Edmund Platt
Vice Governor.