

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, May 17th, at 11:25 a.m.

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

The minutes of the meeting of the Federal Reserve Board held on May 16th were read and on motion approved.

Letter dated May 10th, from the Chairman of the Federal Reserve Bank of San Francisco, advising that Mr. John Franklin Johnson, Superintendent of Banks of the State of California plans to be in Washington on June 4, 5, 6, and 7, and is desirous of meeting the Board in order that the basis may be even more fully established of thorough co-operation between the Federal Reserve System and his own department.

Upon motion, the Secretary was instructed to advise Mr. Perrin that the Board will be glad to meet with Mr. Johnson on Monday, June 4th at 10:00 a.m.

Memoandum dated May 15th, from the Comptroller of the Currency, transmitting with favorable recommendation the application of the Liberty National Bank of Columbia, South Carolina, to reduce its capital stock from \$500,000 to \$250,000.

Approved.

Letter dated May 16th, from Mr. J. H. Case, Deputy Governor of the Federal Reserve Bank of New York, submitting for the approval of the Board, an agreement made between the Federal Reserve Bank of New York and the Bank of Japan, governing certain changes in the method of handling the account of the Bank of Japan with the Federal Reserve Bank of New York.

Referred to the Law Committee.

5/17/23

-2-

Letter dated May 12th, from the Chairman of the Federal Reserve Bank of San Francisco, transmitting a copy of a letter dated May 11th, 1923, from Mr. J. F. Sartori, President of the Security Trust and Savings Bank of Los Angeles, acknowledging the receipt of the notice that the Federal Reserve Board has ruled that "Special" savings deposits are demand deposits within the meaning of the Federal Reserve Act.

Noted.

Letter dated May 16th, from the Comptroller of the Currency requesting approval of a salary of \$4,500 per annum for Mr. Harry G. Chase, National Bank Examiner.

Approved.

Letter dated May 10th, from the Federal Reserve Agent at San Francisco, with reference to the printing by the Board of duplicate copies of certificates of memberships.

Referred to the Secretary for reply.

Mr. Hamlin moved that the Federal Reserve Board undertake a systematic survey of publications, public relations and statistical work now being performed at the several Federal Reserve banks, with a view to informing itself as to the desirability of effecting a reorganization of the work of this nature done by the Federal Reserve Board and the several Federal Reserve banks.

Carried. Thereupon, it was voted upon motion, that the matter referred to by Mr. Hamlin's motion be referred to the Bulletin Committee and the Committee on Economy and Efficiency for action and report.

5/17/23

-3-

The Governor called attention to the item appearing on the docket under the head of Unfinished Business, which called to the attention of the Board that beyond advice to Mr. Perrin, no publicity has been given to the Board's action in declining to amend its regulation defining savings deposits.

Upon motion, it was voted that this matter be referred to the Law Committee for the preparation of a statement to be published in the Federal Reserve Bulletin.

The Governor stated that the next thing in order would be the report of the Law Committee prepared under action of the Board at its meeting yesterday, said report being a revision of the proposed resolution with reference to and governing the Federal Reserve Bank agency to be established at Havana, Cuba.

The Law Committee submitted the following report which was ordered spread upon the minutes for action at a later meeting:

"WHEREAS, the Federal Reserve Bank of Boston has petitioned the Federal Reserve Board for authority to establish an agency in Havana, Cuba, for the purpose of conducting operations permitted under Section 14 of the Federal Reserve Act;

WHEREAS, the Federal Reserve Board has decided to grant such application to the extent of permitting the Federal Reserve Bank of Boston to establish an agency in Havana, Cuba, for the purpose of buying and selling cable transfers and buying, selling and collecting bankers' acceptances bearing satisfactory bank endorsements;

WHEREAS, a substantial portion of the currency now in circulation in Cuba consists of Federal reserve notes of the Federal Reserve Bank of Atlanta;

WHEREAS, the Federal Reserve Bank of Atlanta desires to continue to provide its Federal reserve notes for circulation in Cuba, and the Federal Reserve Board has recognized the equity of the Federal Reserve Bank of Atlanta's position;

5/17/23

-4-

"WHEREAS, an agreement has been entered into between the Federal Reserve Bank of Boston and the Federal Reserve Bank of Atlanta whereby the proposed Havana agency of the Federal Reserve Bank of Boston is to act as the agent of the Federal Reserve Bank of Atlanta in purchasing cable transfers and bankers' acceptances and paying out notes of the Federal Reserve Bank of Atlanta, which agreement is evidenced by a letter addressed to the Governor of the Federal Reserve Board under date of May 15, 1923, and signed by Governor Harding of the Federal Reserve Bank of Boston and Governor Wellborn of the Federal Reserve Bank of Atlanta;

BE IT RESOLVED BY THE FEDERAL RESERVE BOARD, That the application of the Federal Reserve Bank of Boston for the establishment of an agency is hereby granted on the following terms and conditions:

(1) The Federal Reserve Bank of Boston is authorized to establish an agency in Havana, Cuba, and through such agency to buy and sell cable transfers, buy, sell and collect prime bankers' bills and acceptances payable in dollars which arise out of actual import or export transactions, bear the signature of two or more responsible parties, bear a satisfactory bank endorsement, have not more than 90 days to run, exclusive of days of grace, and are secured at the time of purchase by shipping documents evidencing the actual import or export, and the actual sale of goods, and conveying or securing title; and to exercise only such incidental powers as shall be necessary to the exercise of the above powers.

(2) The Federal Reserve Bank of Atlanta is authorized to constitute the Havana agency of the Federal Reserve Bank of Boston as its own agent to purchase cable transfers and bankers' acceptances of the kinds hereinbefore described, and, as incidental thereto, such agency may hold in custody and pay out on behalf of the Federal Reserve Bank of Atlanta Federal reserve notes issued through the Federal Reserve Bank of Atlanta; and the Federal Reserve Bank of Boston shall permit such agency to act as the agent of the Federal Reserve Bank of Atlanta for such purposes in accordance with the terms of the above described agreement between the respective banks.

(3) The Federal Reserve Bank of Boston shall not pay out through such agency any of its own Federal reserve notes, unless, after reasonable notice, the Federal Reserve Bank of Atlanta shall fail to keep an adequate supply of its Federal reserve notes at such agency, in which event the Federal Reserve Bank of Boston may, in its discretion, if approved by the Federal Reserve Board, pay out its own notes through such agency.

(4) The establishment and operation of such agency, and the exercise of all the above powers through such agency, shall be subject to such changes, and such further rules and regulations as the Federal Reserve Board may prescribe from time to time.

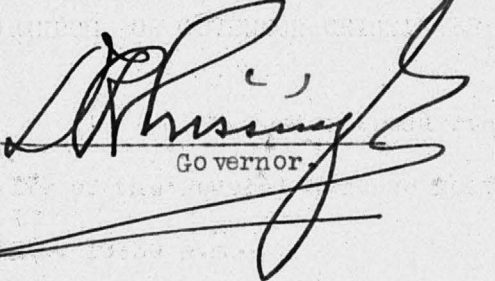
(5) The Federal Reserve Board expressly reserves the right to revoke its consent at any time to the continuance of such agency and to require the discontinuance of such agency whenever in its discretion it considers it desirable to do so. "

5/17/23

-5-

The meeting adjourned at 12:55 p.m.

Approved:

  
Governor

  
Secretary.

*[Faint, illegible handwritten text]*