

A special meeting of the Federal Reserve Board was called by the Governor at 11:00 a.m., July 30, 1923.

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

Present also- Mr. Wyatt, General Counsel

Present also Governor Harding)
by invitation-Mr. Curtiss) of Boston
Mr. Bullen)

Governor Wellborn)
Mr. McCord)
Mr. McCrary) of Atlanta
Mr. Adelson)

The Governor stated that the gentlemen from Boston and Atlanta had been called to Washington to discuss with the Board certain problems which have arisen over the establishment of the Cuban Agencies of the Federal Reserve Banks of Atlanta and Boston.

A stenographic report was made of the proceedings of the conference and is filed as a part of this record.

The Board, upon motion, voted to reconsider its action on June 27th whereby a resolution was adopted on the subject of Cuban Agencies of the Federal Reserve Banks of Atlanta and Boston.

Upon motion, the resolution aforesaid was amended by striking out paragraphs 2 and 3 and substituting in lieu thereof the following:

" (2) The Federal Reserve Bank of Atlanta SHALL NOT BUY OR SELL ANY CABLE TRANSFERS EXCEPT AT THE REQUEST OF THE FEDERAL RESERVE BANK OF BOSTON AS PROVIDED IN PARAGRAPH 3 HEREOF, AND shall not purchase, sell or collect any bills in Cuba except such as originate in or are drawn upon banks or other drawees, in the Sixth Federal Reserve District; and shall purchase no other bills nor purchase or sell any cable transfers, except upon the request of, and for the account of, the Federal Reserve Bank of Boston.

(3) The Federal Reserve Bank of Boston shall not pay out any currency in Cuba, except as hereinafter provided, and whenever bills OR CABLE TRANSFERS are offered for sale to its Havana Agency and the sellers request payment in Federal Reserve notes or other currency, the Federal Reserve Bank of Boston shall request the Federal Reserve Bank of Atlanta to purchase such bills OR CABLE TRANSFERS for it and immediately pay for them with Federal Reserve notes issued through the Federal Reserve Bank of Atlanta or other currency. The Federal Reserve Bank of Atlanta shall comply with all such requests and shall make immediate payment, and shall immediately resell such cable transfers or bills to the Federal Reserve Bank of Boston at cost and without recourse. If the Federal Reserve Bank of Atlanta shall fail to purchase such bills OR CABLE TRANSFERS promptly for the Federal Reserve Bank of Boston or shall not have available in Havana a sufficient supply of currency, the Federal Reserve Bank of Boston may itself purchase such bills and pay for them with its own Federal Reserve notes. In making sales of cable transfers and bills of exchange where currency is tendered in payment, the Federal Reserve Bank of Boston shall require the purchasing banks to make the currency payments to the agency of the Federal Reserve Bank of Atlanta for credit of its account. All settlements between the agencies shall be made at the request of the creditor bank by the head offices through the Gold Settlement Fund. Neither bank shall make any direct exchanges of currency in Cuba."

After discussion of the housing problem of the Cuban Agencies, it was agreed that the Federal Reserve Bank of Atlanta shall take temporary quarters in the building in Havana of the National City Bank of New York, and that the Federal Reserve Bank of Boston Agency shall be temporarily quartered in the building now occupied in Havana by the branch of the First National Bank of Boston or in some other suitable location.

It was upon motion voted to be the sense of the Board that the above distribution of quarters is temporary and pending permanent arrangements, which, according to the understanding of the Board with the representatives of Atlanta and Boston, will place the two Agencies together in the same building.

Letter dated July 21st from the Chairman of the Federal Reserve Bank of Atlanta, advising that at a meeting of the Board of Directors of that Bank held on Friday, July 20th, Mr. L. C. Adelson, Deputy Governor, was elected

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Manager of the Cuban Agency of the Federal Reserve Bank of Atlanta at a salary of \$16,000 per annum, effective August 1st, and that Mr. J. M. Slattery, Secretary of the Federal Reserve Bank of Atlanta was elected Assistant Manager of the Cuban Agency at a salary of \$9,000 per annum, effective August 1st, it being noted that Mr. Adelson's present salary is \$12,000 per annum, and Mr. Slattery's \$6,900.

Disapproved, it being the sense of the Board in conference with the representatives of Atlanta and Boston that the personnel of the Cuban agencies, for the present, will be in the form of temporary detail from the head offices, and that the salaries of the members of the force of the Cuban agencies will not be increased at this time, but that an adequate expense account will be allowed to cover the increased cost of living in Havana.

Matter referred to the Law Committee July 24th; namely, telegram of July 23rd from Mr. Perrin suggesting that the Board's regulations be amended by the inclusion of certain limitations on rediscounts for Federal Intermediate Credit Banks.

The Law Committee submitted the following draft of telegram to Mr. Perrin, which was, upon motion, approved and ordered transmitted over the signature of Governor Crissinger:

"Replying your wire July 23, Board feels that present regulations contain sufficient limitations on rediscounts for Federal Intermediate Credit Banks".

REPORTS OF COMMITTEE NO. 1

- Dated July 27th Recommending changes in stock at Federal Reserve Banks, as
30th set forth in the Auxiliary Minute Book of this date.
 Approved.
- Dated July 27th Recommending action on applications for fiduciary powers as
28th set forth in the Auxiliary Minute Book of this date.
 Approved.
- Dated July 30th Held.
- Dated July 27th Recommending approval of the application of Mr. James H. Post
 to serve at the same time as director of the National City
 Bank, New York, and as trustee of the Title Guarantee Trust
 Co., New York, N. Y.
 Approved.

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Dated July 27th Recommending approval of the application of Mr. John A. Coe to serve at the same time as director of the Torrington National Bank, Torrington, Conn. and as director of the Colonial Trust Co., Waterbury, Conn.

Approved.

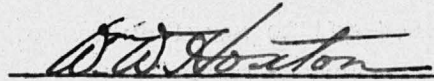
Dated July 27th Recommending approval of the application of Mr. Harold C. Keith to serve at the same time as Vice-President of the Brockton National Bank, Brockton, Mass. and as director of the Old Colony Trust Company, Boston, Mass.

Approved.

Dated July 28th Recommending approval of the application of Mr. R. P. Brewer to serve at the same time as officer and director of the Exchange National Bank, Tulsa, Okla. as director of the Commerce Trust Company, Kansas City, Mo., and as director of the First National Bank, McAlester, Okla.

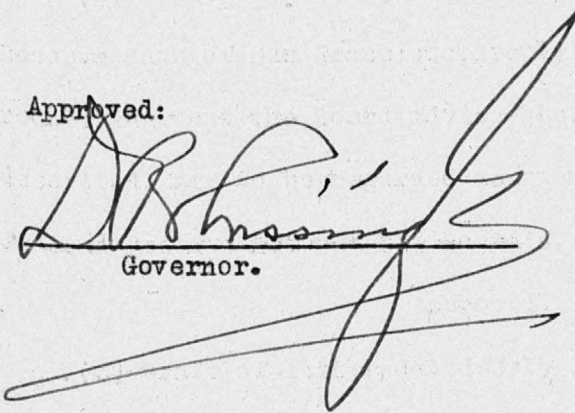
Approved.

The meeting adjourned at 1:30 p.m.



Secretary

Approved:



Governor.