

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, August 29, 1923, at 10:45 a.m.

PRESENT: Governor Crissinger,
Mr. James,
Mr. Hoxton, Secretary.

Letter, dated August 21, 1923, from the Governor of the Federal Reserve Bank of Boston, commenting on certain matters referred to in an attached letter from the Deputy Governor of the Bank, in Havana, with relation to the agency of the Federal Reserve Bank to be opened there.

Referred to Committee on Cuba.

Letter, dated August 21, 1923, from the Deputy Governor of the Federal Reserve Bank of Minneapolis, recommending approval, subject to conditions therein stated, of the application of the Bank of Brookings, Brookings, South Dakota, for permission to rediscount paper originating with non-member banks.

Approved.

Letter, dated August 24, 1923, from the Chairman of the Federal Reserve Bank of Kansas City, advising that Governor Bailey has been designated to represent that bank at the hearing before the Board, to be held on September 6, 1923, with respect to a branch Federal Reserve Bank at Wichita, Kansas.

Noted.

Letter, dated August 25, 1923, from the Secretary of the District of Columbia Bankers Association, enclosing copy of resolution passed at the last convention of that association, favoring an amendment to Section 24 of the Federal Reserve Act.

Referred to Law Committee.

Letter, dated August 24, 1923, from the Chairman of the Board of the First National Bank at Pittsburgh, Pa., with respect to the manner of handling by the Branch Federal Reserve Bank at Birmingham of a check drawn with restrictions.

Referred to Counsel for investigation and preparation of reply.

Letter, dated August 22, 1923, from the President of the Batavian National Bank of Lacrosse, Wis., with respect to their right to charge the Federal Reserve Bank exchange for items drawn on them.

Referred to Counsel for preparation of reply.

Memorandum of August 27th from the General Secretary of the Board, recommending that the Board comply with the request contained in the letter, dated August 20, 1923, from the Federal Reserve Agent at San Francisco, that definite ratification be given to the action of the Board of Directors of that bank, taken in May, 1919, in creating the Welfare Fund of the bank and to all subsequent appropriations and disbursements thereunder.

Approved.

Mr. James submitted draft of a letter, dated August 29th, for the signature of the General Secretary, addressed to Hon. Reed Smoot and referring to a communication sent to Senator Smoot by the President of the Chamber of Commerce and Commercial Club of Salt Lake City, on the subject of a building for the Branch Federal Reserve Bank there.

Approved as amended.

Telegram, dated August 27, 1923, from the Federal Reserve Agent at San Francisco, transmitting request of Pacific-Southwest Trust and Savings Bank that consideration of the matter of branches of large California banks, scheduled for September 12th and at which the bank mentioned is to be represented, be postponed until September 19th.

The Secretary was instructed to advise Mr. Perrin that it will be impossible to postpone consideration of the matter, due to the meeting of the Federal Advisory Council on September 17th.

Telegram, dated August 27, 1923, from the Federal Reserve Agent at Dallas, advising of the closing of the Milmo National Bank, Laredo, Texas.

Noted.

Telegram, dated August 27, 1923, to the Deputy Governor of the Federal Reserve Bank of Richmond, expressing the Board's regret at the death of Mr. Caldwell Hardy, Federal Reserve Agent and Chairman of the Board of Directors of that bank.

Noted.

Draft of letter, dated August 28, 1923, prepared by Counsel for the signature of the General Secretary, addressed to the Chairman of the Federal Reserve Bank of Atlanta in reply to his letter of August 6, 1923, requesting approval by the Board of the action of the directors of that bank in voting to authorize the payment of \$5,000 to General Counsel, Randolph & Parker, as a settlement in full for work in connection with the par clearance litigation; said letter requesting that the Board be furnished with further information.

Approved.

Letter, dated August 23, 1923, from the Federal Reserve Agent at San Francisco, recommending approval of the application of the Pacific-Southwest Trust and Savings Bank to take over the Imperial Valley Bank of Brawley, California and operate it as a branch; tentative approval thereto having been granted by vote of a majority of the Board on February 20, 1923.

Referred to Committee on Examinations.

Letter, dated August 20, 1923, from the Federal Reserve Agent at San Francisco, recommending that permission be granted to the Mercantile Trust Company, San Francisco, California, to take over the assets and assume the liabilities of the Growers National Bank of Campbell, and to remove its Campbell office from its present premises into the quarters now occupied by the Growers National Bank.

The Secretary was directed to transmit the following telegram to Mr. Perrin:

"Your letter August 20th, transmitting with favorable recommendation application Mercantile Trust Company that affairs of Growers National Bank of Campbell be taken over by Campbell Branch. Board approves, noting that this transaction does not increase the number of branches of Mercantile Trust Company."

Memorandum, dated August 28, 1923, from the Directors of the Board's Division of Research and Statistics, recommending that the Federal Reserve Bank of New York be permitted to publish in its monthly review figures on receipts and shipments of currency from and to foreign countries, and that the Board itself include a table and some discussion in the Federal Reserve Bulletin.

The Secretary was instructed to advise Mr. Stewart that the Board does not approve his recommendation but feels that the information, if published, would be misleading.

Memorandum, dated August 29, 1923, from the Executive Secretary of the Board, requesting authority to employ a messenger boy, at the rate of \$60 per month, to serve as vacation relief for a period of two weeks.

Approved.

Memorandum, dated August 29, 1923, from General Counsel, suggesting certain changes in the text of the ruling on the subject of cooperative marketing association paper, which is to be published in the September Bulletin.

Approved.

Mr. James, a member of the Committee on District Eleven, reported on the letter, dated August 20, 1923, from the Federal Reserve Agent at Dallas, recommending the appointment of Dwight P. Reordan as Assistant to the Manager of the El Paso Branch.

The report of Mr. James, as follows, was approved:

"This matter was discussed at length during my visit to Dallas and I am convinced that the recommendations made by Mr. Talley should be approved. Briefly these recommendations are:

- (a) That Mr. Weiss be relieved temporarily of some of his duties at El Paso in order that he may give more time and attention to the 'sick' and insolvent banks in his district.
- (b) That Dwight P. Reordan, Assistant Federal Reserve Agent at Dallas is the best available man for this purpose and should be assigned this duty.
- (c) That the only expense involved would be the expense of Mr. Reordan's removal to and from El Paso.
- (d) It is proposed to bring Mr. Evans, who is now in charge of the Examination Department, down to Mr. Reordan's desk in the Dallas Bank and to designate him temporarily 'Acting Assistant Federal Reserve Agent.'

REPORTS OF STANDING COMMITTEES:

- Dated August 22, 1923 Recommending changes in stock at Federal Reserve Banks,
August 23, 1923 as set forth in the Auxiliary Minute Book of this date.
August 24, 1923
August 27, 1923 Approved.
- Dated August 25, 1923 Recommending action on applications for fiduciary powers,
as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated August 29, 1923 Recommending action on application for admission of a
state bank, subject to the conditions stated in the
report attached to the application, as set forth in the
Auxiliary Minute Book of this date.
Approved.
- Dated August 23, 1923 Recommending approval of the application of Mr. William J.
Carlin to serve at the same time as director of the
National Rockland Bank, Roxbury, Mass., and as director
of the Federal National Bank of Boston, Mass.
Approved.
- Dated August 24, 1923 Recommending approval of the application of Mr. Daniel E.
Wing to serve at the same time as director of the
Tottenville National Bank, Tottenville, N. Y., and as
director of the Richmond Borough National Bank, Stapelton,
N. Y.
Approved.

At twelve o'clock the meeting adjourned.

B. W. Foster

 General Secretary.

Approved
[Signature]

 Governor