

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, September 5, 1923, at 2:45 p.m.

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

The minutes of the meeting of the Board held on September 4, 1923 were read and approved.

Letter, dated August 29, 1923, from the Vice President of the Oklahoma City Clearing House Association, quoting a resolution adopted by the Association recommending disapproval of the application before the Board for the establishment of a Branch at Wichita, Kansas of the Federal Reserve Bank of Kansas City.

Noted.

Letter, dated August 30, 1923, from the Federal Reserve Agent at San Francisco, enclosing copy of a letter addressed to him by the Superintendent of Banks of California, under date of August 22, 1923, advising of the abandonment by the State Banking Department of the so-called "Simultaneous Entry Examination".

Referred to the Committee on Examinations.

Memorandum, dated September 4, 1923, from the Committee on Examinations, recommending that the Board approve salary increases of \$500 per month for a six months period beginning September 1, 1923 for the three Federal Reserve examiners participating in the examination of the Bank of Central & South America.

Upon motion, it was voted to approve the salary increases recommended, provided Counsel sees no legal objection thereto.

Report of the Committee on Examinations on the matter referred to it on August 22nd, namely, letter, dated August 16, 1923, from the Chairman of the Federal Reserve Bank of San Francisco, quoting a resolution of the board of

directors of that bank, with reference to credit investigations and examinations of member banks and referring to the Board's letter of July 31, 1923 on the subject; said report stating that no further action by the Board is necessary.

Upon motion, the report of the Committee on Examinations was accepted.

Letter, dated September 4, 1923, from the Comptroller of the Currency, recommending an annual salary of \$3,000 for National Bank Examiner Charles R. Mertens, assigned to the Second Federal Reserve District.

Approved.

Letter, dated September 4, 1923, from the Federal Reserve Agent at New York, advising that the New York bank is willing to detail to the Board the Deputy Governor of the bank, Mr. George L. Harrison, and his secretary, for service in connection with the par clearance matter; said detail to be arranged without expense to the Board.

Upon motion, it was voted that Mr. Harrison be asked to come to Washington to consult with the Board's Counsel on matters relating to par clearance, and to bring his secretary if needed.

Letter, dated September 4, 1923, from the Governor of the Federal Reserve Bank of Boston, enclosing copy of a letter, with enclosures, addressed to him by the Deputy Governor of the Bank in Havana, Cuba.

Ordered circulated.

Report of Law Committee, dated August 24, 1923, on the subject "Protest Fees of notaries in the employ of Federal Reserve Banks".

After discussion, it was voted to refer the matter back to the Law Committee.

Printed letter, dated September 1, 1923, addressed to the Governor by Mr. L. R. Adams, General Secretary-Treasurer of the National and State Bankers' Protective Association, putting to the Board certain questions with regard to the par clearance system of the Federal Reserve Banks.

9/5/23

327

Referred to the Governor for reply, to the effect that the Federal Reserve Board intends to continue the par clearance system under the provisions of the Federal Reserve Act, as construed by the Supreme Court of the United States.

Letter, dated September 5, 1923, from the Railway Loan Advisory Committee of the Federal Reserve Board, recommending approval of the form of obligation submitted by the Seaboard Air Line Railway Company for a loan of \$6,759,000 (in seven parts, the carrier electing at this time to take over the fourth part of the loan in the amount of \$1,000,000), under the provisions of Section 210 of the Transportation Act, 1920, as amended.

Approved.

REPORTS OF STANDING COMMITTEES:

Dated Sept. 4, 1923 Recommending change in stock at Federal Reserve Bank of Kansas City, as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated Sept. 4, 1923 Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated Sept. 4, 1923 Recommending approval of the application of Mr. Dan A. Donahue to serve at the same time as director of the Naumkeag Trust Company, Salem, Mass. and as director of the State National Bank, Lynn, Mass.

Approved.

The meeting adjourned at 3:15 p.m.

W. D. Norton
General Secretary.

Approved:

[Signature]
Governor