

A meeting of the Federal Reserve Board was held in the office of the Board on Thursday, October 25, 1923, at 11:00 a.m.

PRESENT: Governor Crissinger
 Mr. Platt
 Mr. Hamlin
 Mr. Miller
 Mr. Cunningham
 Mr. Eddy, Secretary

The minutes of the meeting of the Federal Reserve Board held on October 23rd were read and approved.

Governor Crissinger stated that Senator Curtis had advised him that the Wichita Clearing House Association desired to reopen the question of the establishment in Wichita, Kansas, of a branch of the Federal Reserve Bank of Kansas City, and submitted a telegram from the Wichita Clearing House Association, left with him by Governor Allen of Kansas in which offer is made to furnish office space and vaults for a branch free of charge and to pay all expense of operation and maintenance of the branch over cost to the Federal Reserve Bank of Kansas City, of handling business in Wichita territory.

Upon motion, it was voted to set aside Wednesday, October 31st, for a rehearing, of the question of the establishment of a branch at Wichita.

Memorandum dated October 25th, from General Counsel, requesting authority to publish in the forthcoming issue of the Bulletin, certain rulings of the Board.

Approved.

Letter dated October 23rd, from the General Secretary of the National and State Bankers' Protective Association, citing an instance of the use, by the Federal Reserve Bank of Chicago, of an agent other than a bank in collecting items drawn upon a non-par bank in the Seventh Federal Reserve District.

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Upon motion of Mr. Hamlin, it was voted that the matter be taken up with the Federal Reserve Bank of Chicago and that the bank's attention be called to the Board's ruling of August 2nd that the use of such Agents be discontinued.

The Secretary was instructed to have the Board's Counsel arrange for the publication of the ruling in the forthcoming issue of the Bulletin.

Letter dated October 23rd, from the Secretary-Treasurer of the National Association of Credit Men, transmitting copies of declarations of the directors of that organization on the Federal Reserve System and the par payment of checks.

Ordered circulated.

Mr. Hamlin, on behalf of the Board's Committee on Branches, submitted reports of the Committee containing recommendations as follows:

- (1) That the Board approve of the directors of the Federal Reserve Bank of St. Louis proceeding, in accordance with the terms of the Federal Reserve Act, with the erection of a building at Little Rock, Arkansas, to house the branch Federal Reserve bank located at that point.
- (2) That the Board approve the application of certain banks located in the city of Tacoma, Washington, for the cancellation of the designation of Tacoma as a reserve city.
- (3) That the Board approve of the directors of the Federal Reserve Bank of San Francisco proceeding, in accordance with the terms of the Federal Reserve Act, and a resolution adopted by the directors of the San Francisco bank on March 15, 1923, with the erection of a branch bank building at Salt Lake City.
- (4) That the study covering operations of the branches of the Federal Reserve Bank of San Francisco, submitted by the Governor of that bank, be returned with advice that it may be resubmitted to the Board at any time in support of any recommendations which may be made by the directors of the Federal Reserve Bank of San Francisco, affecting the present status of any or all of the branches of that bank.

Upon motion of Mr. Hamlin, it was voted to approve the termination of the designation of Tacoma, Washington, as a reserve city.

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After discussion, the other recommendations of the Committee were ordered laid on the table pending the return of Mr. James.

Letter dated October 22nd, from the Comptroller of the Currency, recommending a salary of \$2400 per annum, for National Bank Examiner Cecil Ashwood, to be assigned to the Second Federal Reserve District.

Approved.

Letter dated October 22nd, from the Comptroller of the Currency, recommending a salary of \$2700 per annum, for National Bank Examiner Alfred W. Johnson, to be assigned to the Ninth Federal Reserve District.

Approved.

Memorandum dated October 25th, from Mr. Herson, recommending the appointment, effective November 7, 1923, of Mr. Elmer J. Griffin as Assistant Federal Reserve Examiner, with salary at the rate of \$3,000 per annum.

Approved.

The Law Committee reported on the matter referred to it on October 23, 1923, namely, letters dated October 10th and October 15th, from the Chairmen of the Federal Reserve Banks of New York and Chicago, respectively, on the subject of the control of advertising matter used by state member banks; the Committee recommending that the Federal Reserve Agent at Chicago be instructed to consult in the matter with the President of the Financial Advertisers' Association, located in Chicago and that the Chairman of the Federal Reserve Bank of New York take the matter up with the advertising syndicates having headquarters in that city.

Upon motion, the report of the Committee was adopted.

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The Committee on Examinations reported adversely upon the matter referred to it on October 23rd, namely, the application of the Albany Exchange National Bank, Albany, Georgia, for authority to accept drafts and bills of exchange up to 100% of its capital and surplus, under the provisions of Section 13 of the Federal Reserve Act.

Upon motion, the report of the Committee was adopted, and the application of the Albany Exchange National Bank was disapproved.

Letter dated October 5th, from the Assistant Federal Reserve Agent at St. Louis, transmitting the application of the Southwest Bank of St. Louis, for a reduction in reserve requirements from 10% of demand deposits and 5% of time deposits, to 7% of demand deposits and 3% of time deposits, under the provisions of Section 19 of the Federal Reserve Act.

Upon vote of the five members of the Board present, the application of the Southwest Bank of St. Louis for the reduction in reserves above mentioned, was approved, if and when it becomes a member of the System.

Mr. Miller inquired when the Board would be prepared to consider the letter relating to branch banking, dated October 6th, addressed to it by representatives of the Mercantile Trust Company, the Pacific Southwest Trust and Savings Bank, and the Security Trust and Savings Bank, presented by him at the meeting held on October 23rd.

Upon motion, it was voted that this matter be made special order business for a meeting to be held tomorrow.

REPORTS OF STANDING COMMITTEES:

Dated, October 23rd, Recommending changes in stock at Federal Reserve
25th, Banks, as set forth in the Auxiliary Minute Book
of this date.

Approved.

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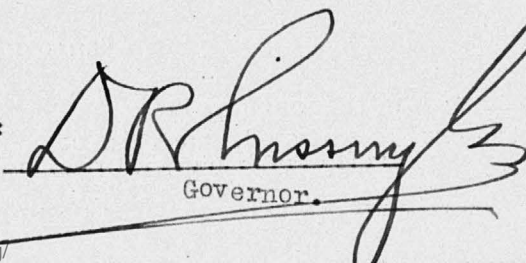
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REPORT OF STANDING COMMITTEES: (Cont'd)

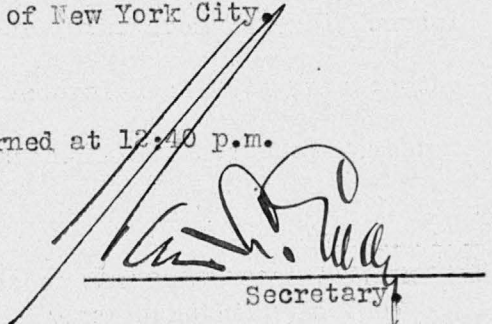
- Dated, October 25th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, October 25th, Recommending action on applications for admission to state banks, subject to the conditions stated in the individual reports attached to the applications, as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, October 24th, Recommending approval of the application of Mr. W. H. Thompson to serve at the same time as director of the Mahaffey National Bank of Mahaffey, Pa. and as director of the County National Bank of Clearfield, Pa.
Approved.
- Dated, October 19th, Recommending approval of the application of Mr. J. Henry Harrison to serve at the same time as director of the Caldwell National Bank of Caldwell, New Jersey, and as director of the Montclair Essex Trust Company of Montclair, New Jersey.
Approved.
- Dated, October 24th, Recommending approval of the application of Mr. William A. Smith to serve at the same time as director of the Montclair Essex Trust Company of Montclair, New Jersey, and as director of the Verona National Bank of Verona, New Jersey.
Approved.
- Dated, October 24th, Recommending approval of the application of Mr. Gates McGarrah to serve at the same time as director of the Mechanics & Metals National Bank and as director of the J. Henry Schroder Banking Corporation, both of New York City.
Approved.
- Dated, October 24th, Recommending approval of the application of Mr. Joseph S. Lovering to serve at the same time as Vice President of the Hanover National Bank and as director of the Colonial Bank, both of New York City.
Approved.

The meeting adjourned at 12:40 p.m.

Approved:



Governor.



Secretary.