A meeting of the Federal Reserve Board was held in the office
of the Federal Reserve Board on Tuesday, November 27th, at 11:05 a.m.

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

The minutes of the meeting of the Federal Reserve Board held on
November 22nd were read and approved.

The Board having before it several applications for interlocking
directorates, discussion ensued as to the purpose and intent of the Kern
Amendment to the Clayton Act, at the conclusion of which Mr. Miller moved
that it is the sense of the Board that all permissions heretofore granted
under the Kern Amendment to serve on the Board of more than one bank be
reviewed before the first of January, 1924, in order to determine whether
all previous permissions granted by the Board comply with the intent of
said Amendment.

Carried.

Mr. Miller then moved that this matter be made special order of
business for December 12th and that the Law Committee be requested to
prepare all necessary information and data in connection with it.

Carried.

Thereupon, Mr. Hamlin moved that Mr. Miller be requested to consult
with the Committee with reference to California applications which have been
granted.

Carried.
Letter dated November 23rd, from the Federal Reserve Agent at Richmond, with reference to the present status of the Board's Regulation "J", Series of 1923, and transmitting copies of correspondence which indicate a tendency in the Fifth Federal Reserve District toward the withdrawal of non-member banks from the par list.

Referred to the Committee on Clearings.

Upon motion, the recommendations with respect to the operation of the par clearance system made to the Board by the recent conferences of Governors and Federal Reserve Agents and the Federal Advisory Council, were ordered referred to the Committee on Clearings, and the Committee was instructed to prepare and submit to the Board draft of an amended Regulation "J".

Draft of letter dated November 26th, addressed to the Federal Reserve Agent at Minneapolis, in reply to his letter of August 4th, in which he suggests that the Board grant him permission to assess state member banks for costs of examinations on the basis of the assessment made by the Comptroller of the Currency to cover the costs of national bank examinations.

Referred to Law Committee.

Memorandum dated November 26th, from Committee on Examinations, recommending a form of reply to letter from the Governor of the Federal Reserve Bank of Chicago, dated November 23rd, transmitting and recommending approval of the application of the Livestock National Bank of Sioux City, Iowa, for permission to rediscount paper originating with non-member
banks to the extent of $200,000; the proposed reply requesting that the Board be furnished with additional information.

After discussion, Mr. Platt moved that the Board modify its ruling, forbidding the rediscoun for member banks of paper originating in non-member banks, so that paper from banks with capital of less than $100,000 could be rediscouned by Federal Reserve banks.

Mr. Platt's motion being put by the chair was lost, Mr. Platt voting "aye".

Mr. Hamlin then moved that the Board request Counsel for an opinion as to whether it could establish a ruling permitting ineligible banks to discount customers' paper with Federal Reserve banks through the medium or agency of member banks at a slightly increased rate.

Carried.

Upon motion, the proposed letter to the Governor of the Federal Reserve Bank of Chicago was approved.

Report of Committee on Examinations recommending approval of the application of the Cass Avenue Bank, St. Louis, transmitted by the Federal Reserve Agent at St. Louis, in his letter of November 24th, for a reduction in its reserve requirements from 10% of demand deposits and 3% 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 motion, the application was approved, upon the affirmative vote of five members of the Board, Governor Crissinger voting "no".

Memorandum dated November 22nd, from General Counsel requesting authorization to renew at a cost of $100, subscription to the Corporation
Trust Company's Congressional Service for the first session of the Sixty-Eighth Congress.

Approved.

Memorandum dated November 26th, from the Secretary of the Board calling attention to the fact that the three members of the special pension committee appointed at the last Governors' Conference, (Messrs. Fancher, McDougall and Kenzel) have signified their readiness to meet with the Board on December 4th.

Upon motion, the meeting with the Special Committee was definitely fixed for December 4th.

Memorandum dated November 23rd, from the Secretary, referring to letter dated November 22nd, from General Counsel of the Federal Reserve Bank of New York, advising of a payment of $3,000 to Mr. Carmalt, on account of his services in connection with the matter of express rates and requesting authority to arrange with the Federal Reserve Bank of New York to carry all payments made to Mr. Carmalt until such time as the matter is disposed of, thereby obviating the necessity of several separate assessments on the other eleven banks for their pro rata shares.

Approved.

Memorandum dated November 26th, from Counsel suggesting a form of letter to the First National Bank of Mayfield, Kentucky, with regard to the action of the Trust Department of that bank in investing collectively funds belonging to different trust estates; said action having been reported to the Board by the Deputy Comptroller of the Currency, in his memorandum of November 6th.
Upon motion, the proposed letter was approved and copy was ordered transmitted to the Comptroller of the Currency for his information.

Letter dated November 23rd, from the Comptroller of the Currency, requesting the Board to authorize the purchase and laying of such floor coverings as may be required in rooms now being fitted up for the Federal Reserve Issue and Redemption Division of his bureau.

Approved.

Letter dated November 24th, from Mr. A. B. Trowbridge, Consulting Architect, transmitting a bill for $215 for services by Ward, Crosby and Smith, in connection with the procuring of letters patent covering methods of vault construction developed as a result of tests conducted in 1920 and 1921, the Board having previously authorized the filing of applications for such patents.

Upon motion, the payment to Ward, Crosby and Smith was approved.

Draft of letter prepared by Counsel, addressed to Messrs. Peffers and Wing of Aurora, Ills., in reply to their letter of October 17th, inquiring as to some method by which funds, with which to pay interest, taxes and charges for repairs on a trust estate, may be advanced to the trust department by the commercial department of a bank, which is unwilling to make a direct loan for the purpose.

Approved.

The Committee on Salaries and Expenditures reported on the matter referred to it at the meeting on November 20th, namely, letter dated November
ber 15th from the Chairman of the Federal Reserve Bank of New York, advising of the action of the Board of Directors of that bank in voting that a special payment of salary be made to employees at the close of the year, and also on letter dated November 22nd, from the Chairman of the Federal Reserve Bank of Philadelphia, advising of a resolution adopted by the directors of that bank that $20 additional compensation for the year be given to all employees of the bank except the officers; the Committee recommending the adoption by the Board of a resolution as follows:

"BE IT RESOLVED, That all Federal Reserve banks be notified that no bonus or extra compensation payments of any character will be approved by the Federal Reserve Board, and that the Federal Reserve Board is of the opinion that the proper method of compensating its own employees and the employees of the Federal Reserve banks is by payment to them at regular intervals—weekly, semi-monthly or monthly—of the full amounts earned by them on the basis of their fixed annual compensation."

Mr. Miller moved that the report of the Committee be received and the resolution be approved and transmitted to all Federal Reserve banks. Carried, Mr. Platt voting "no".

REPORTS OF STANDING COMMITTEES:

Dated, November 23rd, 26th,

Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated, November 27th,

Recommending action on supplemental applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated, November 26th,

Recommending approval of the application of Mr. John D. Filley to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company of St. Louis.

Approved.
Reports of Standing Committees (Cont’d)

Dated, November 26th, recommending approval of the application of Mr. John T. Davis to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company of St. Louis. Approved.

Dated, November 23rd, recommending approval of the application of Mr. Daniel C. Mulloney to serve at the same time as director and president of the Federal National Bank of Boston and as director of the State National Bank of Lynn, Massachusetts. Approved.

Dated, November 23rd, recommending approval of the application of Mr. T. A. Dines to serve at the same time as director of the First National Bank of Fort Collins, and of the First National Bank of Denver, both of Colorado. Approved.

Dated, November 26th, recommending approval of the application of Mr. John F. Shepley to serve at the same time as director of the First National Bank of St. Louis, Mo., and of the St. Louis Union Trust Company of St. Louis, Mo. Approved.

Dated, November 26th, recommending approval of the application of Mr. George W. Simmons to serve at the same time as director of the First National Bank, St. Louis, Mo., and of the St. Louis Union Trust Company, St. Louis, Mo. Approved.

Dated, November 26th, recommending approval of the application of Mr. Robert S. Brookings to serve at the same time as director of the First National Bank and of the St. Louis Union Trust Company, both of St. Louis. Approved.

Dated, November 26th, recommending approval of the application of Mr. John Fowler to serve at the same time as director of the First National Bank, St. Louis, and as director of the St. Louis Union Trust Company, St. Louis, Mo. Approved.

Dated, November 26th, recommending approval of the application of Mr. Benjamin Gratz to serve at the same time as director of the First National Bank, St. Louis and of the St. Louis Union Trust Company, St. Louis, Mo. Approved.
REPOrT OF STANDING COMMITTEES: (CON'T D)

Dated, November 26th, Recommending approval of the application of Mr. John B. Kennard to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company, St. Louis, Mo.

Approved.

Dated, November 26th, Recommending approval of the application of Mr. Edward Mallineckrodt to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company, St. Louis, Mo.

Approved.

Dated, November 26th, Recommending approval of the application of Mr. William K. Bixby to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company, St. Louis, Mo.

Approved.

Dated, November 26th, Recommending approval of the application of Mr. Thomas H. West to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company, St. Louis, Mo.

Approved.

Dated, November 26th, Recommending approval of the application of Mr. M. B. Wallace, to serve at the same time as director of the First National Bank of St. Louis and of the St. Louis Union Trust Company of St. Louis, Mo.

Approved.

The meeting adjourned at one o'clock.

Approved:

[Signature]

Governor.

SecreTary.