

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, December 6th at 11:10 a.m.

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

PRESENT ALSO BY INVITATION:

Governor Strong, Federal Reserve Bank of New York.

Governor Strong stated to the Board that he had been advised that the Bank of Japan found it desirable to dispose in the near future of their investments in New York, and that the Federal Reserve Bank of New York contemplated taking over some \$19,000,000 of bills now owned by them, all United States securities of short term maturities.

Governor Strong then discussed with the Board at some length, the proposal of the directors of the Federal Reserve Bank of New York to charge off, out of current net earnings, at the end of the present year certain expenses incurred during the year in the construction of their new bank building, and also submitted to the Board schedules setting forth the salary adjustments recommended by the board of directors for officers and employees of the Federal Reserve Bank of New York, said adjustments covering both the year 1923 and the year 1924. Governor Strong advised the Board also of his own views as to the desirability and adequacy of the adjustments recommended by the board of directors.

As these matters must be submitted to the Board with a recommendation of its Committee on Salaries and Expenditures, Governor Strong was

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requested to discuss them thoroughly with the members of the Board's Committee.

Governor Strong then called attention to the question of the Federal Reserve Bank of New York providing quarters for the National Bank Examining staff in its new building, which he stated would be ready for occupancy about June, 1924, and informed the Board of his view that quarters should be rented to the Chief National Bank Examiner at a moderate rate.

Mr. Hamlin then called attention to the matter of acceptance credits between the National Park Bank and the Yokahoma Specie Bank which the Board has had under consideration for some time past and Governor Strong expressed the opinion that the matter could be settled to the satisfaction of all parties without the necessity of a ruling by the Federal Reserve Board or the Comptroller of the Currency.

At this point, Mr. Platt left the room, Governor Strong withdrew from the meeting and the Board proceeded with its regular business.

The minutes of the meeting of the Federal Reserve Board held on December 5th were read and approved.

The Governor appointed Messrs. James, Hamlin and Miller as a special committee to investigate the origin of the Washington despatch appearing in the December 4th issue of the New York Journal of Commerce, concerning the meeting held by the Board on December 3rd with the Open Market Investment Committee for the Federal Reserve System.

Upon motion of Mr. Hamlin, the Secretary was instructed to amend the minutes of the meeting of the Federal Reserve Board held on

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November 13th, so as to include the submission by Dr. Miller of the "Report of the Committee on Economy and Efficiency to the Federal Reserve Board" dated November 12th.

Letter dated December 3rd, from the Federal Reserve Agent at Minneapolis advising of the re-election of Mr. J. C. Bassett, as Class "A" director of the bank and Mr. N. B. Holter, as Class "B" director, both for terms expiring December 31, 1926.

Noted.

Letter dated December 5th, from the Federal Reserve Agent at Philadelphia, advising of the re-election of Mr. Joseph Wayne, Jr., as Class "A" director of the bank and Mr. Edwin S. Stuart, as Class "B" director, both for terms expiring December 31, 1926.

Noted.

Letter dated December 5th, from the Chairman of the Federal Reserve Bank of Philadelphia, advising that the "Federal Reserve Building and Loan Association" of that city has expressed willingness to change its title to "Federal Building and Loan Association" and inquiring whether the Board has any objection to the latter name.

Upon motion, the letter was referred to Counsel for the preparation of a reply, stating that the Board will not object to the use of the name "Federal Building and Loan Association".

The Committee on Examinations reported on the matter referred to it on November 20th, namely, applications of the Bank of Italy for permission

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to establish branches at Long Beach, Watsonville, and Santa Maria, California; said applications having been withdrawn from consideration by the Bank of Italy and not having been renewed. The Committee recommended that the papers be filed until such time as the Bank of Italy shall formally renew its applications.

Accepted.

Memorandum dated November 7th, from General Counsel, with respect to the legal authority of the Federal Reserve Board or a Federal Reserve bank to abolish an existing branch bank, ordered circulated for the information of the members at the meeting on November 8th.

Upon motion, Counsel's memoranda were ordered filed without action by the Board.

REPORTS OF STANDING COMMITTEES:

Dated, December 5th, Recommending change in stock at Federal Reserve bank, as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated, December 6th, Recommending action on application for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

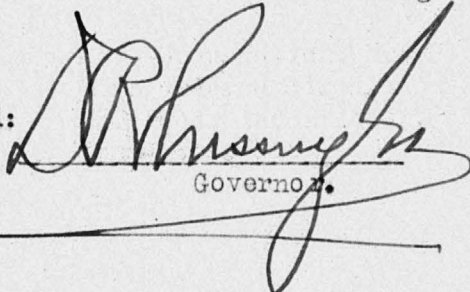
Approved.

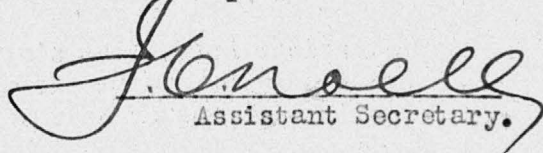
Dated, December 6th, Recommending approval of the application of Mr. Louis Curtis, Jr., to serve at the same time as Member of firm of Brown Brothers & Company, and as director of the Merchants National Bank, both of Boston, Mass.

Approved.

The meeting adjourned at 12:50 p.m.

Approved:


Governor.


Assistant Secretary.