

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, July 18, 1924, at 11:00 a. m.

PRESENT: Governor Crissinger
Mr. Hamlin
Mr. James
Mr. Dawes
Mr. Eddy, Secretary.

The minutes of the meeting of the Federal Reserve Board held on July 15th were read and approved as amended.

The Board considered the application of The Merchants and Planters National Bank of Gaffney, South Carolina, for permission to exercise fiduciary powers; the Board's Law Committee recommending that the application be held because of the inactivity of the bank's examining committee and because one of the directors of the bank appears to have adopted the practice of "kiting" checks through the institution.

After discussion, the application was referred to the Comptroller of the Currency for recommendation.

Letter dated July 14th from the Comptroller of the Currency, requesting approval of a salary of \$4,000 per annum for National Bank Examiner G. B. Hadlock, to be assigned to the Seventh Federal Reserve District.

Approved.

Letter dated July 14th from the Comptroller of the Currency, requesting approval of a salary of \$4,000 per annum for National Bank Examiner J. Lee Major, to be assigned to the Third Federal Reserve District.

Approved.

Letter dated July 16th from the Federal Reserve Agent at Philadelphia, requesting the Board's authority to appoint Mr. J. B. Atkins as assistant to examiner, with salary at the rate of \$3,600 per annum.

Approved.

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Memorandum dated July 16th from the Secretary to the Board advising that he had talked over the telephone with Dr. Miller, who is attending the meeting of the Open Market Committee at Boston, and that Dr. Miller had advised him that the members of the Committee were opposed to any of the Federal reserve banks investing in bonds bearing the circulation privilege, and were of the opinion that if the Federal Reserve Bank of Dallas desires to dispose of its holdings of circulation bonds, it should do so in the open market and that none of the other Federal reserve banks should be asked to purchase them.

Upon motion of Mr. Hamlin, the Secretary was directed to so advise the Dallas Bank.

Report of Committee on Branches on matter referred to it at the meeting of July 15th, namely proposed amendment to Board's regulations regarding the appointment of branch bank directors so as to limit the appointment of such directors to the term for which originally appointed, unless otherwise requested for a special reason by reserve banks; the committee recommending that no amendment be made to the regulations at this time.

Approved.

Memorandum dated July 8th from Assistant Counsel to the effect that in his opinion Federal reserve banks may not lawfully close and suspend all banking operations on any day unless such day is a legal holiday throughout its Federal reserve district.

Upon motion of Mr. Hamlin, the Assistant Counsel's opinion was concurred in and a copy thereof transmitted to each Federal reserve bank.

At this point Mr. Stearns of the Comptroller's office entered the meeting and stated that some time ago the Comptroller's Office had received an application to permit of the organization of a national bank in Paterson, New Jersey, that the application had been granted and that subsequently the organizers selected the name "Central National Bank and Trust Company" as the name of their organization, and that the Comptroller had given his approval to the name, subject to the bank obtaining the permission of the Federal Reserve Board to exercise fiduciary powers at the time it opened for business.

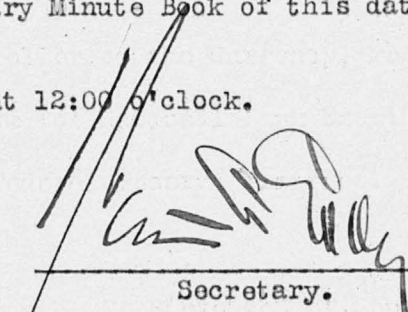
Upon motion, the Executive Committee was given power to act and to formally advise the Comptroller.

REPORTS OF STANDING COMMITTEES:

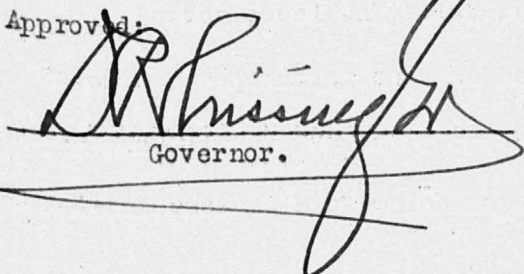
Dated July 15th, Recommending action on applications for fiduciary powers
 15th, as set forth in the Auxiliary Minute Book of this date.
 15th, Approved.
 15th,

Dated July 15th, Recommending action on application for fiduciary powers
 as set forth in the Auxiliary Minute Book of this date.
 Held.

The meeting adjourned at 12:00 o'clock.



 Secretary.

Approved:


 Governor.