

Upon call of the Governor, a special meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Monday, September 22, 1924, at 2:35 p.m.

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

The reading of the minutes of the meeting of the Federal Reserve Board held on September 18th was dispensed with.

The Governor stated that he had called the meeting for the purpose of discussing the application of the Liberty National Bank in New York for fiduciary powers, principally permission to act as trustee; this application being in the hands of the Federal Reserve Bank of New York, which, before transmitting it to the Board with its recommendation, requested that it be furnished with an expression of opinion of the Comptroller of the Currency as to whether or not the application should be granted.

After discussion, Mr. James moved that it is the sense of the Board, and that the Governor be instructed to advise the Federal Reserve Bank of New York, that the application of the Liberty National Bank for permission to act as trustee should be promptly forwarded to the Federal Reserve Board, and that such recommendation as the officials of the bank might care to make as to the advisability of the Board approving or disapproving the application, should be based upon such knowledge as they may possess of the management and character of the applicant bank, and should be independent of any views which may be held by the Comptroller of the Currency; that the Board will itself, and for its own information, ask the Comptroller of the Currency for an expression of his views as to the character and management of the applicant bank, this being the usual procedure followed by the Board in all such cases; and that any action taken by the Board on the application will not be without due consideration of the views of both the Comptroller and the officials of the New York bank.

Carried.

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Memorandum dated September 19th from the Committee on Salaries, Expenditures and Efficiency, recommending that the subject "Budget Expense" be made a special topic for discussion at the forthcoming conference of Governors and Federal Reserve Agents.

Upon motion, this subject was ordered placed upon the program for the conference.

At this point, Mr. Dawes left the meeting.

Letter dated September 15th from the Federal Reserve Agent at San Francisco advising that the Mercantile Trust Company has moved five local offices listed therein from temporary to permanent locations.

Noted.

Report of Committee on Examinations on letters dated September 6th and 11th from the Federal Reserve Agent at St. Louis, transmitting and recommending approval of the application of the American Trust Company of Little Rock and the Southern Trust Company of Little Rock, both members, for permission to consolidate and to operate an additional office to house the real estate, insurance, etc. departments until proper space can be provided in the main office; the Board's Committee also recommending approval.

Approved.

Report of Committee on Salaries, Expenditures and Efficiency on letter dated September 17th from the Federal Reserve Agent at Philadelphia, requesting approval of the promotion of C. L. Litzenberg from assistant examiner to examiner with an increase in salary from \$2800 to \$3100 per annum, effective October 1, 1924, and the employment of W. J. Lloyd, now in the Credit Department of the bank, at an increase from \$2600 to \$2800 per annum,

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effective October 1, 1924; the Board's Committee recommending approval.

Approved.

Report of Committee on Salaries, Expenditures and Efficiency on letter dated September 17th from the Chairman of the Federal Reserve Bank of Boston, requesting approval of an appropriation of \$2500 for the Federal Reserve Society of the bank, and requesting approval also of the continuance of the practice of reimbursing employees of the bank who qualify to take the examination in any of the educational courses given by the Boston Chapter of the American Institute of Banking; the Committee recommending that action in the matter be deferred until the question of "Appropriations for welfare and educational work in the Federal Reserve System" shall have been discussed and reported on by the forthcoming Governors' and Federal Reserve Agents' Conference and a policy determined by the Board.

Upon motion, the recommendations of the Committee were approved and the subject was ordered placed on the conference program.

Letter dated September 19th from the Deputy Governor of the Federal Reserve Bank of New York on the subject of arrangements for the employment of a portion of that bank's balance with the Bank of England.

Noted.

Letter dated September 17th from the Federal Reserve Agent at Dallas, transmitting and recommending approval of the application of the First National Bank of Eagle Pass, Texas, for permission to accept drafts or bills of exchange arising out of transactions involving the importation or exportation of goods up to 100% of its paid-up and unimpaired capital and surplus.

Approved.

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Letter dated September 18th from the Chairman of the Federal Reserve Bank of Chicago, replying to the Board's letter of September 15th requesting further information with regard to the consolidation of the Kaspar State Bank of Chicago, Illinois, a member bank, with the American State Bank of Chicago, a non-member bank, without first securing the Board's approval.

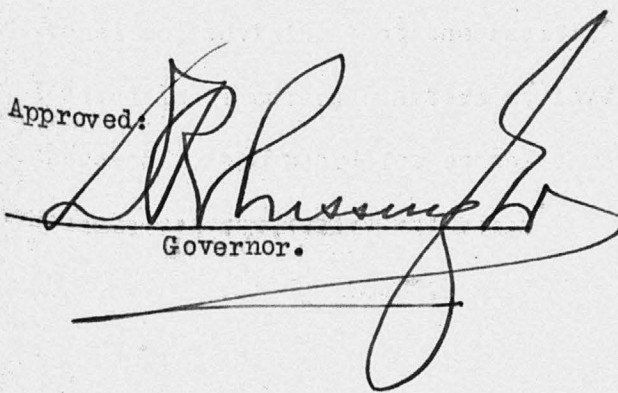
Referred to the Committee on Examinations.

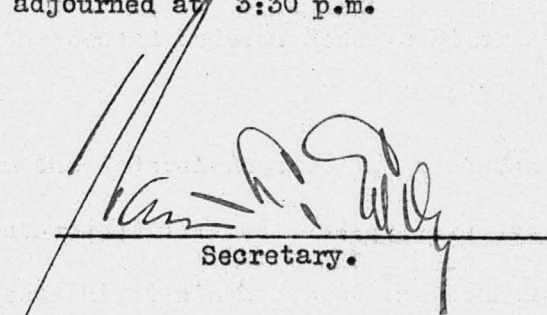
REPORTS OF STANDING COMMITTEES:

- Dated September 18th, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated September 22nd, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated September 22nd, Recommending action on application for admission of state bank, subject to the conditions stated in the individual report attached to the application, as set forth in the Auxiliary Minute Book of this date.
Approved.

The meeting adjourned at 3:30 p.m.

Approved:


Governor.


Secretary.