

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, October 28, 1924, at 11:10 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 October 24th were read and approved.

Report of Committee on Examinations on memorandum dated October 24th from the Comptroller of the Currency, recommending approval of the application of the La Grange National Bank, La Grange, Georgia, for permission to reduce its capital from \$300,000 to \$150,000; the Board's Committee also recommending approval.

Approved.

Memorandum dated October 25th from the Secretary of the Board, advising that Mr. Cunningham has increased the salary of Mr. John Locke, his secretary, from \$2500 to \$2600 per annum, effective October 15th.

Noted.

Report of Law Committee on letter dated October 23rd from the Federal Reserve Agent at Boston, recommending approval of the application of the Inman Trust Company, Cambridge, Massachusetts, for permission, under the Board's Regulations, to establish a trust department; the Board's Committee also recommending approval.

Approved.

The Executive Committee then reported on the matter referred to it

10/28/24

-2-

with power at the meeting on October 10th, namely, the question of a change in the official working hours of employees of the Board with a resulting Saturday half-holiday throughout the year. The Committee submitted a letter from the Secretary of the Treasury, to whom the matter was referred, advising that for reasons stated therein he feels the hours of work for Federal Reserve Board employees should remain unchanged, and reported that because of the position taken by the Secretary, the Committee had decided that no change should be made.

Noted.

The Governor then presented draft of a reply, prepared in accordance with action taken at the meeting on October 21st, to letter addressed to Mr. Cunningham by the Federal Reserve Agent at Minneapolis under date of October 15th with regard to the recent reduction in the rediscount rate of the Federal Reserve Bank of Kansas City.

After discussion, Mr. Platt moved reconsideration of action taken at the meeting on October 21st in referring the letter of the Federal Reserve Agent at Minneapolis to the Governor for reply.

Mr. Platt's motion being put by the chair was carried.

Mr. Hamlin then moved that the Federal Reserve Agent's letter be referred back to Mr. Cunningham for reply.

Carried, Messrs. James and Cunningham voting "no".

Letter dated October 22nd from Mr. Joseph A. McCord, tendering his resignation as Class C director of the Federal Reserve Bank of Atlanta, effective December 31, 1924.

Upon motion by Mr. James, the Board voted to accept Mr. McCord's resignation and the Secretary was instructed to express to him the high esteem of the Board.

10/28/24

-3-

The Committee on District #6 then submitted the following report, dated October 28, 1924:

"The undersigned Committee on the Federal Reserve Bank of Atlanta herewith reports that it has given most careful consideration to the filling of the vacancy in the Class C directorship of said Bank and in the office of Federal Reserve Agent, caused by the resignation of Federal Reserve Agent and Class C Director McCord; that in view of the unanimous feeling of the Federal Reserve Board that a change should be made in the interest of harmonious and effective management your Committee gave special consideration to the matter with a view to securing some outstanding man, not only of pre-eminent ability, but as well of such temperament as would insure harmonious and intelligent cooperation with the other officials of the Bank; that after a most careful search your Committee believes it has secured such a man; that it presents to the Board to fill these vacancies the name of Mr. Oscar Newton, Vice President of the State Savings Bank & Trust Company, of Jackson, Mississippi, and at present a Class A director of said Federal Reserve Bank; that Mr. Newton has informed your Committee that if elected he will consent to serve in these capacities.

Your Committee further represents that as it will necessarily take some time for Mr. Newton to prepare to take up these offices it will, in its opinion, be most desirable to fill these vacancies by the appointment of Mr. Newton at once."

Mr. Hamlin moved the appointment of Mr. Newton as Class C Director of the Atlanta bank, effective January 1, 1925, for the unexpired term ending December 31, 1926.
Carried.

Mr. Hamlin then moved that Mr. Newton be designated Federal Reserve Agent and Chairman of the Board of Directors of the bank at a salary of \$15,000 per annum, effective January 1, 1925.
Carried.

Letter dated October 25th from Mr. Frederic A. Delano, requesting that he be not considered for reappointment as Class C Director of the Federal Reserve Bank of Richmond, at the expiration of his present term on December 31, 1924.

Referred to the Committee on District #5.

Letter dated October 27th from Mr. E. R. Kenzel, Chairman of the Pension Committee of the Governors' Conference, advising that the Committee will be

10/28/24

-4-

161

in Washington on October 30th to meet with the Members of the Board.

Noted.

Letter dated October 27th from the Federal Reserve Agent at Richmond, advising that Mr. Charles N. Duley, Assistant Federal Reserve Agent at the Baltimore branch will retire on October 31st and requesting that the Board also terminate the designation of Mr. C. S. Donahue as Acting Assistant Federal Reserve Agent at the branch; the Federal Reserve Agent requesting that the Board designate Mr. Henry Schutz and Mr. A. C. Weinert, employees of the Auditing Department at the Branch, as Acting Assistant Federal Reserve Agents.

Approved.

The Governor then presented a notice sent out by the Federal Reserve Bank of Cleveland, advising that on November 4th, election day, the head office and Cincinnati Branch will close at noon and that the Pittsburgh branch will be closed all day.

Mr. James moved that the Federal Reserve Bank of Cleveland be advised that November 4th has not been designated by the Board as a Federal Reserve bank holiday and that it should comply with the Board's Regulations requiring that Federal Reserve banks shall remain open on days other than those which have been designated by the Board.

Carried, Mr. Platt voting "no".

Letter dated October 18th from the Federal Reserve Agent at San Francisco, recommending an extension of time in which the Pacific Southwest Trust and Savings Bank of Los Angeles may establish branches approved for 219-219½ North Larchmont Boulevard, Main and Jefferson Streets, 24th Street and Vermont Avenue, and the Westlake Park district, all in Los Angeles, and requesting approval of the bank's application for permission to transfer the Main and Jefferson Street branch to Washington Street and Arlington Avenue and the 24th Street and Vermont Avenue branch to Washington Street and Vermont Avenue.

10/28/24

-5-

Mr. Platt moved that the Board grant the Pacific Southwest Trust and Savings Bank an extension of three months' time in which to establish these branches and approve of the changes in location requested.

Mr. Platt's motion being put by the chair was carried, Mr. James voting "no" and Governor Crissinger "not voting".

Letter dated October 21st from the Federal Reserve Agent at Minneapolis, transmitting copy of his letter to the President of the American Council of Agriculture, tendering his resignation as Treasurer of that organization.

Noted.

Letter dated October 22nd from the Chairman of the Federal Reserve Bank of Minneapolis, requesting approval of the construction of an assembly room on the roof of the bank's building, at a cost of approximately \$17,310.

Referred to the Committee on District #9.

Letter dated October 24th from the President of the Greenville National Bank, Greenville, Pa., requesting information as to the present condition of the money market.

Referred to the Governor for reply.

The Governor then presented the matter held over at the meeting on September 26th, namely, report of Committee on Examinations on letter dated September 12th from the Federal Reserve Agent at San Francisco, transmitting the application of the Mercantile Trust Company of California, San Francisco, for permission to purchase the Bank of Burlingame and to establish branches in Burlingame, California which is outside of the territory designated by the Board as contiguous to the city of San Francisco.

10/28/24

-6-

163

Mr. Cunningham moved that the application be denied.

Mr. Cunningham's motion being put by the chair was carried, Mr. Platt voting "no".

Mr. Hamlin stated that he voted "aye" solely on the finding of the Board of Directors of the Federal Reserve Bank of San Francisco that the interests of the Burlingame community would not be affected either favorably or unfavorably by the establishment of branches of the Mercantile Trust Company in the premises of the Bank of Burlingame.

The Governor then presented the matter ordered circulated at the meeting on September 10th, namely, letter dated September 8th from the President of the Fifth-Third National Bank of Cincinnati, requesting approval by the Board of the so-called "McFadden Bill".

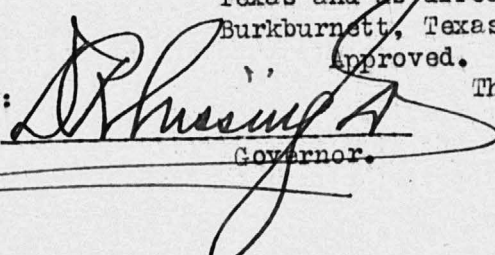
After discussion, it was found to be the general opinion of the Members of the Board that no action should be taken by the Board with regard to the McFadden Bill until an expression is requested thereon by the appropriate committee of Congress.

REPORTS OF STANDING COMMITTEES:

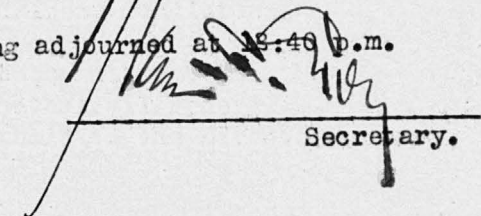
- Dated, October 27th, Recommending changes in stock at Federal Reserve Banks,
28th, as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, October 28th, Recommending action on applications for fiduciary powers
28th, as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, October 28th, Recommending action on application for admission of state
bank, subject to the conditions stated in the individual
reports attached to the application, as set forth in the
Auxiliary Minute Book of this date.
Approved.
- Dated, October 28th, Recommending approval of the application of Mr. J. I.
Staley to serve at the same time as director and officer
of the Security National Bank, Wichita Falls, Texas and
as director of the Continental National Bank, Ft. Worth,
Texas and as director of the First National Bank,
Burkburnett, Texas.

Approved.

Approved:


Governor.

The meeting adjourned at 12:40 p.m.


Secretary.