

Upon call of the Governor a meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, December 12, 1924 at 11:15 a.m.

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

The reading of the minutes of the meeting of the Federal Reserve Board held on December 10th was dispensed with.

Letter dated December 11th from the Governor of the Federal Reserve Bank of New York, referring to his conversation with the Governor of the Board reported at the meeting on December 10th, and advising that probably the maximum actual shipments of gold to Germany, referred to in that conversation, will be at the rate of about \$5,000,000 a week.

Noted.

The Governor then reported on the matter referred to him at the meeting on December 10th, namely, letter dated December 9th from the Governor of the Federal Reserve Bank of New York with reference to the request of the Agent General for Reparations Payments that the Federal Reserve Bank open an account in his name; the Governor presented another letter from Governor Strong advising that the Secretary of the Treasury has expressed his approval of the Bank's opening such an account, acting in its general capacity as fiscal agent of the United States.

Noted.

Memorandum dated December 12th from the Secretary of the Board, recommending that L. C. Berry, formerly messenger in the Chief Clerk's office, whose leave of absence without pay expired on December 6th, be

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dropped from the rolls effective as of that date.

Approved.

The Secretary then requested authority to employ one or two additional messengers, whichever may be found necessary.

Upon motion by Mr. Cunningham, the authority requested was granted.

Memorandum dated December 12th from the Secretary, requesting authority to employ Miss Nelle Swan as stenographer in the office of the Chief Clerk, at a salary of \$1500 per annum, effective December 8, 1924.

Approved.

Letter dated December 8th from the Chairman of the Federal Reserve Bank of San Francisco, advising of the election of Mr. Howard Whipple as Class A Director of the bank and the reelection of Mr. William T. Sesnon as Class B Director, both for terms of three years, beginning January 1, 1925.

Noted.

Telegram dated December 11th from the Chairman of the Federal Reserve Bank of Kansas City, advising of that bank's appointments to the directorates of its branches, effective January 1, 1925.

Noted.

Telegram dated December 10th from the Chairman of the Federal Reserve Bank of Dallas, advising of that bank's appointments to the directorates of its branches, effective January 1, 1925.

Noted.

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Letter dated December 4th from the Chairman of the Federal Reserve Bank of New York, advising of that bank's appointments to the directorate of its Buffalo Branch, effective January 1, 1925.

Noted.

Memorandum dated November 13th from General Counsel with regard to the matter referred to him by the Governor of the Board on December 18, 1923, namely, letter dated December 15th from the Deputy Governor of the Federal Reserve Bank of Kansas City on the subject of local clearings of the Federal Trust Company, a member bank of that city which is not a member of the local clearing house; Counsel stating that the matter has been postponed in order that some satisfactory arrangement may be made in Kansas City but expressing the opinion that a Federal Reserve bank must receive on deposit at par from any member bank checks drawn on any other member banks and that this applies even though both banks are located in the same clearing house city.

After discussion, Mr. Hamlin moved that the Federal Reserve Bank of Kansas City be advised that the Board feels the bank is under legal obligation to accept checks from the Federal Trust Company, and be requested to immediately advise the Board of what steps it proposes to take, and further, that unless the Clearing House Association of Kansas City admits the Federal Trust Company to membership, it will be necessary for the Federal Reserve Bank of Kansas City to clear the checks of that institution.

Carried.

Memorandum dated December 11th, approved by the Committee on Salaries, Expenditures and Efficiency with regard to the matter referred to the Committee at the meeting on November 21st, namely, the Secretary's

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report that intimations had come to him that certain employees of the Board, whose names were not furnished to him, were maintaining margin accounts with local brokerage firms; the Secretary recommending that the Board instruct the heads of the several divisions of its organization to advise the employees in their divisions verbally of the impropriety of employees of the Federal Reserve Board carrying marginal accounts of any nature with stock brokerage concerns.

Upon motion, the recommendation was approved.

Report of Committee on Examinations on letter dated December 6th, from the Federal Reserve Agent at San Francisco, transmitting and recommending approval of the application of the Pacific Southwest Trust and Savings Bank for permission to change the location of its Long Beach Branch from 131 East Seaside Boulevard to the southeast corner of Seventh Street and Cherry Avenue; the Committee also recommending approval.

Approved.

Memorandum dated December 8th from Counsel with regard to the application of the Atlantic National Bank of Boston for permission to elect certain officers or directors of that bank as directors and / or officers of the Atlantic National Corporation, the entire stock of which is owned by the bank; Counsel stating that there is no legal reason why this application should not be granted with respect to all officers or directors of the bank named.

Upon motion, the application was approved.

The Governor then submitted a report of the Committee on Examinations, recommending approval of the application of the B. M. C. Durfee Trust Company

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of Fall River, Massachusetts for membership in the Federal Reserve System, subject to the conditions contained in Section 4 of the Board's Regulation H; the Committee also recommending approval of the bank's application for permission to take over the First National Bank of Fall River, which is under the same management as the applicant.

Upon motion, it was voted to approve the application for membership as well as the proposed consolidation.

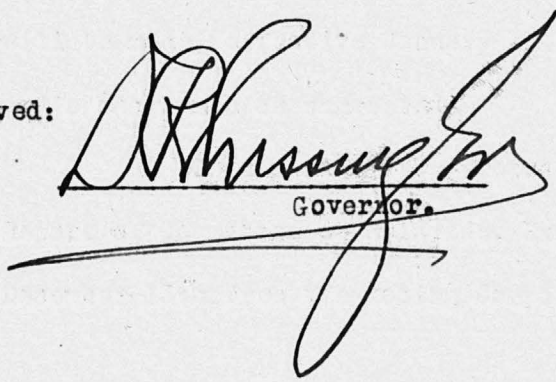
REPORTS OF STANDING COMMITTEES:

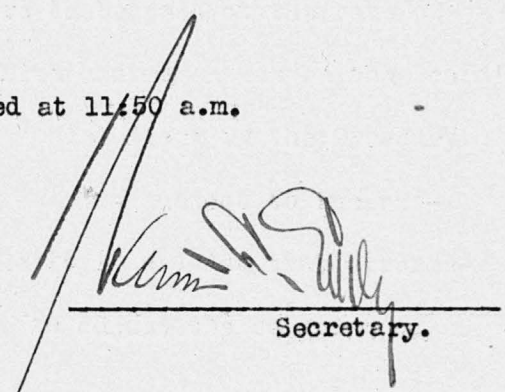
Dated, December 11th, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.
Approved.

Dated, December 12th, Recommending approval of the application of Mr. Oscar H. Merz to serve at the same time as officer of the Fidelity Union Trust Company, Newark, N.J. and as director and officer of the Citizens National Bank and Trust Company, Newark, N.J.
Approved.

The meeting adjourned at 11:50 a.m.

Approved:


Governor.


Secretary.