

Upon call of the Governor a special meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, January 16, 1925 at 11:25 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 January 15th were read and approved.

Report of Committee on Examinations on letter dated January 14th from the Assistant Federal Reserve Agent at Boston, transmitting and recommending approval of the application of the Columbus Exchange Bank of Providence, Rhode Island, for permission to establish a branch at Branch Avenue and Charles Street, Providence; the Committee also recommending approval.

Approved.

Memorandum dated January 16th from the Chief Examiner, recommending acceptance of the resignation of Mr. M. R. Wilkes as Assistant Examiner, effective January 31, 1925 and requesting authority to fill the vacancy caused by this resignation at not exceeding the salary received by Mr. Wilkes - \$3500 per annum.

Upon motion, the resignation of Mr. Wilkes was accepted and the authority requested was granted.

Letter dated January 14th from the Chairman of the Federal Reserve Bank of Boston, advising of officers elected to serve at the bank during the year 1925 and also of the reappointment of Mr. Charles A. Morss as member of

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the Federal Advisory Council from the First District for the year 1925.

Noted.

Memoranda dated January 15th from the Board's Fiscal Agent, advising of suspensions in his account by the Controller General of the United States of expenditures covering subscriptions to publications, purchase of binders for the use of the Board's examiners and payment of rent for space leased by the Board in the Otis Building.

Referred to the Governor.

Letter dated January 10th from the Chairman of the Federal Reserve Bank of Kansas City, reporting action taken at the meeting of the Board of Directors of that bank on January 8th, including the appointment of Mr. Harry Farr of Greeley, Colorado, as a director of the Denver Branch for a term of one year ending December 31, 1925, in lieu of Mr. J. Van Houten who declined appointment.

Noted.

Letter dated January 13th from the President of the Federal Advisory Council, advising that the next meeting of the Council will be held in Washington on Monday, February 16th, and requesting to be advised of any topics the Board may desire discussed.

Referred to the Executive Committee for submission of topics.

Report of Committee on Branches on telegram dated December 24th from the Chairman of the Federal Reserve Bank of San Francisco, suggesting that the Board make some provision for Vice Chairmen of the Boards of Directors of Branch Federal Reserve banks to serve in the absence of the Chairmen; the

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Committee submitting memorandum by Counsel stating that under the Board's regulations it seems to be the intention that a director who has been appointed by the Board shall be Chairman and that, in carrying out this intention, it would seem reasonable that in the absence of the proper Chairman, who is the Board's appointee for one year, the director appointed by the Board of next longer term should act as Chairman and in his absence the third director appointed by the Board should so act.

Upon motion, Counsel's suggestion was approved.

Memorandum from the Secretary with regard to letter dated December 15th from the Under Secretary of the Treasury, transmitting memorandum addressed to him by the Commissioner of Accounts and Deposits of the Treasury Department outlining a procedure designed to effect payments to the Treasurer of the United States for gold bars released by the United States mint of New York City through the medium of Gold Settlement Fund transfers; the Secretary stating that the procedure outlined is a practical one.

Upon motion, it was voted to approve making of such payments through the Gold Settlement Fund.

The Governor then stated that the special order business for this morning's meeting would be consideration of the minutes of the meeting of the Open Market Investment Committee held in New York on January 9th.

The Director of the Board's Division of Research and Statistics was called into the meeting and discussed the Committee's reports and minutes with the members of the Board.

After discussion, Mr. Miller moved that the following letter be addressed to the Chairman of the Committee:

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"The Federal Reserve Board has considered the recommendation transmitted in the minutes of the meeting of the Open Market Investment Committee, held on January 9th, to wit:

'That the Committee stand ready to make such further sales of securities as seemed necessary from time to time in view of changing money conditions to prevent undue ease in the money market.'

In the light of the most recent movement of production and other indications of trade and industrial activity and employment and the trend of money market conditions and rates, the Board is of the opinion that the continuation of the policy of selling from time to time the bank's open market holdings of government securities is indicated to be advisable at the present time, and that sales of such securities should be made as they can be made without undue disturbance of the money market."

Mr. Miller's motion being put by the Chair was lost, the members voting as follows:

Mr. Platt, "aye"
 Mr. Miller, "aye"
 Mr. Cunningham, "aye"
 Governor Crissinger, "no"
 Mr. Hamlin, "no"
 Mr. James, "no".

Mr. Hamlin stated that he voted "no" because in his opinion such action by the Board is unnecessary.

Mr. Platt then moved that the Open Market Investment Committee be advised that the Board notes with approval the minutes of the meeting of the Committee held on January 9th, indicating that the Committee proposes to continue to sell from the open market portfolio of securities, as this can be done from time to time without disturbance of the market.

Carried, Mr. Miller not voting.

REPORTS OF STANDING COMMITTEES:

Dated, January 16th, 16th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Ordered held.

Dated, January 15th, Recommending approval of the application of Mr. R. V. Colbert to serve at the same time as director of the Ft. Worth National Bank, Ft. Worth, Texas, and as president and director of the First National Bank, Stamford, Texas.

Approved.

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REPORTS OF STANDING COMMITTEES: (Cont'd)

Dated, January 15th, Recommending approval of the application of Mr. Samuel R. Kingston to serve at the same time as director of the National Bank of Commerce, of the Home Savings & Loan Association and of the Standard Trust Company, all of Detroit, Michigan.

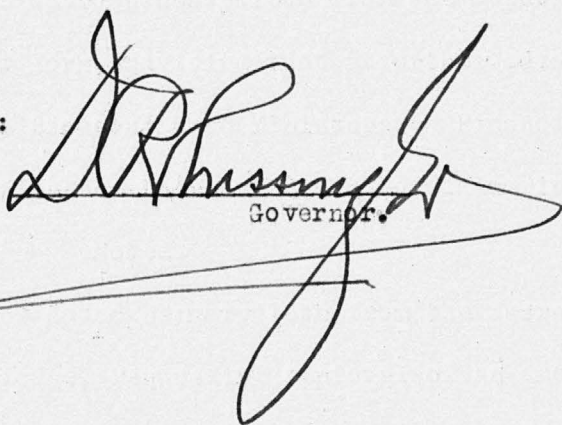
Approved.

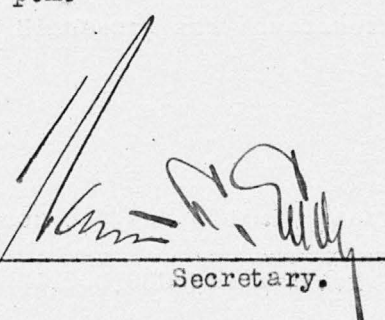
Dated, January 15th, Recommending approval of the application of Mr. Eugene Giles to serve at the same time as officer and director of the National Copper Bank, Salt Lake City, Utah, as officer and director of the First National Bank of Ely, Nevada and as director of the First National Bank, Nephi, Utah.

Approved.

The meeting adjourned at 1:05 p.m.

Approved:


Governor.


Secretary.