

A meeting of the Executive Committee of the Federal Reserve Board was held on Friday, May 8, 1925 at 10:30 a.m.

PRESENT: Governor Crissinger
Mr. Miller
Mr. Eddy, Secretary

Telegram dated May 6th from the Federal Reserve Agent at Dallas, recommending approval of an application of the Security State Bank of Cooper, Texas for the surrender of (60) shares of stock in the Federal Reserve Bank; the same having been approved on May 6th on the initials of two members of the Executive Committee.

Upon motion, the above application was formally approved.

Memorandum dated May 5th from the Division of Examination, submitting application of the First National Bank in Cumby, Texas for original stock (45) shares in the Federal Reserve Bank of Dallas; the same having been approved on May 6th, on the initials of two members of the Board, effective if and when the Comptroller of the Currency issues a certificate of authority to commence business.

Upon motion, the above application was formally approved.

Memorandum dated May 6th from the Division of Examination, recommending approval of an application of the Moran National Bank, Moran, Texas for original stock in the Federal Reserve Bank of Dallas; the same having been approved on May 6th on the initials of two members of the Executive Committee, effective if and when the Comptroller of the Currency issues a certificate of authority to commence business.

Upon motion, the above application was formally approved.

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Memorandum dated May 7th from the Division of Examination, recommending approval of an application of the First National Bank, Needville, Texas for original stock (30) shares in the Federal Reserve Bank of Dallas; the same having been approved on May 7th on the initials of two members of the Executive Committee, effective if and when the Comptroller of the Currency issues a certificate of authority to commence business.

Upon motion, the above application was formally approved.

Memorandum dated May 7th from the Board's Chief Examiner, advising that under authority granted by the Board on April 17th Mr. John T. Pelton has been employed as an Assistant Examiner at a salary of \$1600 per annum, effective May 1, 1925.

Noted.

Memorandum dated May 5th from the Chief of the Gold Settlement Division, recommending that vacation leave with pay be granted to the employees on the night force of the Division, equivalent to the number of days each employee would ordinarily work in one week and at the same rates of pay.

Upon motion, the Secretary was authorized to grant the vacations recommended.

Letter dated May 4th from the Chairman of the Federal Reserve Bank of St. Louis, enclosing a communication addressed to him by Mr. Stuart Wilson, Director of the Little Rock Branch, inquiring whether his service as Commissioner and Treasurer of Drainage Districts Nos. 4 and

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5, Miller County, Arkansas, constitute a violation of the terms and spirit of the Board's Circular #21, Series of 1915, on the subject "Eligibility of Candidates for Directorships".

Upon motion, it was voted to interpose no objection to Mr. Wilson's serving in the capacities stated.

Letter dated May 6th from the Chairman of the Federal Reserve Bank of St. Louis, enclosing copy of a letter from Mr. Max B. Nahm, Director of the Louisville Branch, inquiring whether service by him as a member of the Board of Parks and Playgrounds of the city of Bowling Green, Ky., would constitute a violation of the terms and spirit of the Board's Circular #21, Series of 1915, on the subject "Eligibility of Candidates for Directorships".

Upon motion, it was voted to interpose no objection to Mr. Nahm's serving in the capacity stated.

Letter dated May 6th from the Federal Reserve Agent at Boston, enclosing letter from the Vice President of the Union Trust Company of Providence, Rhode Island, stating that every effort is being made to open by August 10th the branch at Woonsocket approved by the Board on February 10th and requesting that if necessary a reasonable extension of time beyond August 10th be extended for the establishment of the branch.

Upon motion, it was voted that the Board, if it was found necessary on August 10th, should grant a reasonable extension of thirty to sixty days for the establishment of the branch.

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Letter dated May 6th from the Secretary of the Open Market Investment Committee, enclosing copy of minutes of meeting of the Committee held at the Federal Reserve Bank of New York on April 30, 1925, together with schedule of plan adopted at the meeting for the redistribution of a portion of the government securities held in the System Special Investment Account aggregating \$83,000,000.

Ordered docketed for the next meeting of the Board.

Letter dated May 5th from the Chairman of the Federal Reserve Bank of Boston, advising of the desire of the Carroll County Trust Company of Conway, New Hampshire, to establish an agency in Sandwich, New Hampshire, and inquiring whether the bank should make application for permission to establish such agency in accordance with the provisions of the Board's Regulation "H".

In view of the statement contained in the Federal Reserve Agent's letter as to the functions of the proposed agency, it was the opinion of the Committee that its establishment does not come within the provisions of the Board's regulation, and that application for the Board's approval of its establishment is not necessary.

Application of the Peoples Bank and Trust Company of Los Angeles, California, made on behalf of the proposed Peoples National Bank and Trust Company for permission to exercise fiduciary powers under the terms of Section 11 (k) of the Federal Reserve Act, if and when said Peoples National Bank and Trust Company is authorized by the Comptroller of the Currency to commence business .

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The Committee considered the unfavorable recommendation made by the Federal Reserve Agent at San Francisco and the basis therefor, as contained in the last report of examination of the Peoples Bank and Trust Company, and voted to disapprove the application, with the understanding that if the Peoples Bank and Trust Company converts at this time into a national bank and after operating as such for a reasonable period of time desires to make application for permission to exercise trust powers, the Board will give consideration to such application.

Telegram dated May 7th from the Federal Reserve Agent at Dallas, advising of the action of the Board of Directors of that bank at its meeting on May 5th in accepting the resignation of Governor McKimney, effective May 16th, and of Marion B. Sansom, Class "B" Director, and of their action in tendering to him (the Federal Reserve Agent) the position of Governor of the Bank and in promoting and reassigning the duties of certain junior officers as a result of the recent resignation of Val J. Grund, Deputy Governor, all effective as of June 1, 1925.

Ordered held for the next meeting of the Board.

Memorandum dated May 5th from Counsel, with regard to the application of Mr. William Skinner for permission to serve at the same time as director of the Irving Bank - Columbia Trust Company and the Pacific National Bank of New York City, if and when the Pacific Bank of New York City is converted into a national bank under the title of Pacific National Bank, which will later consolidate with the American Exchange National

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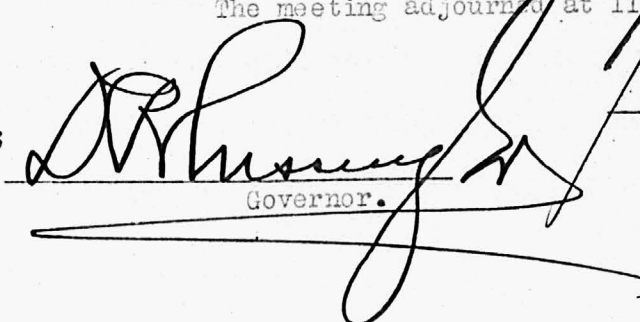
Bank of New York City; Counsel suggesting that if the Board approves the application it advise Mr. Skinner that it has done so, with the understanding that the proposed conversion of the Pacific Bank into a national bank and its consolidation with the American Exchange National Bank will be effected within sixty days from the time the application is granted.

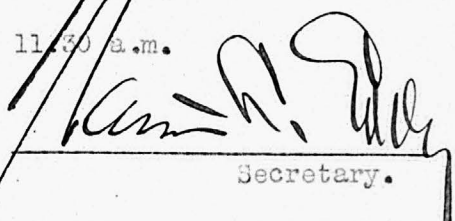
Upon motion, it was voted to approve the application subject to the understanding suggested in Counsel's memorandum.

REPORTS OF STANDING COMMITTEES:

- Dated, May 5th, 7th, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, May 8th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, May 8th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Ordered held.
- Dated, May 7th, Recommending approval of the application of Mr. Lemuel Ray Carter to serve at the same time as director of the First National Bank in St. Louis and as director of the St. Louis Union Trust Company, both of St. Louis.
Approved.
- Dated, May 7th, Recommending approval of the application of Mr. J. F. Ballard to serve at the same time as director of the First National Bank in St. Louis and as director of the St. Louis Union Trust Company, both of St. Louis.
Approved.
- The meeting adjourned at 11:30 a.m.

Approved;


Governor.


Secretary.