

Pursuant to the terms of adjournment yesterday, a meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, September 10, 1926 at 10:15 a.m.

PRESENT: Governor Crissinger
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Cunningham
Mr. Noell, Asst. Secretary
Mr. McClelland, Asst. Secretary
Mr. Wyatt, General Counsel

Mr. Wyatt read to the Board the statement approved at the meeting yesterday with certain minor changes made by him under the direction of the Governor, the revised statement reading as follows:

"With respect to the request which Mr. Black has made on behalf of the investigating committee of the Federal Reserve Bank of Atlanta in the case of Mr. Joseph L. Campbell, Deputy Governor of that bank, for the information on which the Board is proceeding against Mr. Campbell, it is the opinion of the Board that there is nothing in the Federal Reserve Act that requires that the Board should furnish the information upon which it may reach the conclusion that an officer of a Federal Reserve Bank should be removed. The law requires only that the Board in making a removal shall state the cause of removal. It is the opinion of the Board that if it were to establish the practice of furnishing the information upon which it may reach the conclusion that an officer should be removed, it would result in a serious embarrassment of the power of the Board in a matter in which the Federal Reserve Act intended that the Board should be free to use its best judgment.

"At the same time, the Board recognizes that an implied obligation to furnish the information in the Campbell case to the investigating committee of the Federal Reserve Bank of Atlanta and to Mr. Campbell may fairly be said to have grown out of statements made by members of the Board at the June 16th conference, to which Mr. Black referred at the hearing yesterday afternoon.

"In view of the fact that the Federal Reserve Bank of Atlanta has appointed a committee to investigate the conduct of Mr. Campbell, the Board is willing to permit the investigating committee and Mr. Campbell to examine the documents containing the information on which the Board is proceeding, with the understanding that the committee and Mr. Campbell will agree to regard and treat the

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"documents and the information contained therein as confidential and privileged and to be used only in connection with the investigation being conducted by the committee and for the purpose of acquainting Mr. Campbell with the information upon which the Federal Reserve Board's proceedings are based."

Mr. Hamlin then moved approval of the statement as revised.

Carried.

The Secretary was then instructed to call into the meeting the members of the Atlanta Directors' Committee, Mr. Campbell and his Counsel.

During the interim preceding their appearance, Mr. Platt joined the meeting.

The official stenographer then entered the room and stated that he anticipated that he would be requested by the Atlanta Committee and by Mr. Campbell to furnish them with a copy of the proceedings of the stenographically reported sessions yesterday and today. He inquired if the Board had any objection to complying with their request.

Mr. Hamlin moved that copies of the hearing be furnished to the Atlanta Committee and to Mr. Campbell, if requested by them.

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

Mr. Platt, "aye"
Mr. Hamlin, "aye"
Mr. Cunningham, "aye"
Governor Crissinger, "no"
Mr. Miller, "no"
Mr. James, "not voting"

Mr. McIntosh then joined the meeting, and Messrs. Campbell, Howard, Black, Ware and Melvin also entered the room.

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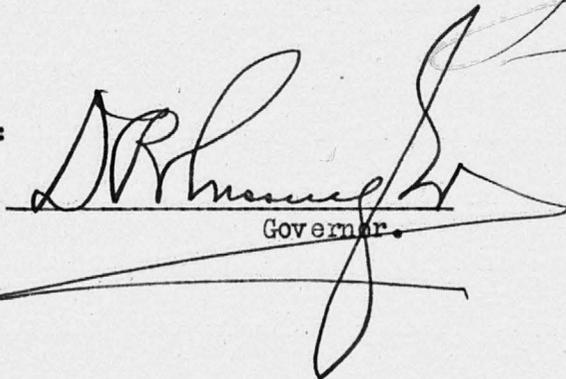
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In a meeting reported by the stenographer, the Governor read the statement approved by the Board. Messrs. Campbell, Howard, Black, Melvin and Ware agreed to the conditions set forth in the statement, whereupon the Governor handed to Mr. Black copies of the documents containing the information on which the Board is proceeding against Mr. Campbell.

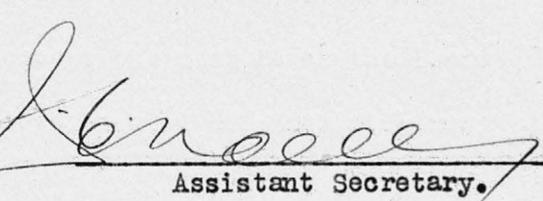
It was agreed that the Atlanta Committee should be given a period of two weeks from this date (until September 24, 1926) to complete its investigations and submit a report thereon to the Board of Directors of the Federal Reserve Bank of Atlanta.

At 11:00 a.m. the meeting adjourned.

Approved:



Governor.



Assistant Secretary.