A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, February 4, 1927 at 11:15 a.m.

PRESENT: Governor Crissinger
          Mr. Hamlin
          Mr. Miller
          Mr. James
          Mr. Cunningham
          Mr. McIntosh
          Mr. Eddy, Secretary
          Mr. McClelland, Asst. Secretary

The minutes of the meeting of the Federal Reserve Board held on February 2nd were read and approved.

The minutes of the meeting of the Federal Reserve Board held on February 3rd were read and approved as amended.

Letter dated February 3rd from the Secretary of the Federal Reserve Bank of New York, advising that the board of directors on that day made no change in the bank’s existing schedule of rates of discount and purchase.

Noted.

Telegram dated February 3rd from the Chairman of the Federal Reserve Bank of San Francisco, advising that the board of directors on that day made no change in the bank’s existing schedule of rates of discount and purchase.

Noted.

Letter dated February 3rd from the Assistant Federal Reserve Agent at New York, approved by the Deputy Chairman of the board of directors of that bank, advising of the necessity for an additional Assistant Federal Reserve Agent at that bank and suggesting the appointment of Mr. Herbert S. Downs, who is at present Manager of the Bank Relations Department and would continue in that capacity if designated as Assistant Federal Reserve Agent.
Following a discussion, it was decided to defer action on the above matter pending the appointment of a Chairman at the New York bank.

Report of Committee on Examinations on letter dated January 31st from the Federal Reserve Agent at Kansas City, with reference to the action of the Empire Trust Company of St. Joseph, Mo. taken on January 26th, in purchasing certain business of the Buchanan County Trust Company of St. Joseph; the Committee recommending approval of the action of the member bank.

Approved.

The Board then considered drafts of letters to the President, the Governor of the Federal Reserve Bank of Dallas, the Director of the Veterans Bureau and Honorable Morris Sheppard, United States Senator from Texas, with regard to a proposal of the Red River Valley Trust Company of Paris, Texas, a nonmember bank, to make loans to world war veterans on the security of their Adjusted Service Certificates provided the Federal Reserve Bank of Dallas would agree in advance to rediscount all such loans made by the trust company.

A detailed discussion ensued, during which suggestions were made for changes in the letters and it was voted to refer the proposed letters back to the Law Committee for redrafting along the lines of the discussion.

Reports of Standing Committees:

Dated, February 3rd, Recommending changes in stock at Federal Reserve banks as set forth in the Auxiliary Minute Book of this date. Approved.

Dated, February 2nd, Recommending action on application for admission of state bank, as set forth in the Auxiliary Minute Book of this date. Refused.
The meeting adjourned at 12:00 o'clock.

Approved:

[Signature]

Secretary.

[Signature]

Governor.