

A special meeting of the Federal Reserve Board was held in the office of the Governor on Friday, February 18, 1927 at 12:45 p.m.

PRESENT: Governor Crissinger
 Mr. Platt
 Mr. Miller
 Mr. Cunningham
 Mr. McIntosh
 Mr. Noell, Asst. Secretary
 Mr. McClelland, Asst. Secretary

The Governor presented the following telegram received from the Federal Reserve Agent at San Francisco:

"Telegram 17th received. Bancitaly Corporation filed following agreement:

'We agree that we will not hold or own, for a period exceeding thirty days at any time within five years of the date of the agreement, to exceed 25 percent of the stock of the bank of Italy. (signed) A. P. Giannini, President.' Also filed following agreement 'Bancitaly Corporation hereby promises and agrees that it will not acquire the stock of any independent bank in the state of California to an extent exceeding 25 percent of the capital stock of any such independent bank without permission of both the Federal Reserve Board and the Comptroller of the Currency, for five years after date of approval of the consolidation of the Bank of Italy and the Liberty Bank of America. (signed) A. P. Giannini, President.'

To remove any question of authority on the part of Mr. Giannini he further agrees to hold meeting of board of directors of Bancitaly Corporation within three days and have these agreements ratified by them.

Also filed following agreement 'The Bank of Italy hereby promises and agrees in consideration of the permission of the Federal Reserve Board to purchase the business and assets of the Liberty Bank of America, that if it should remain a state member bank at the time of the next examination it will remove any assets that are unsatisfactory to the Federal Reserve Bank of San Francisco or to the Federal Reserve Board. (signed) James A. Bacigalupi, President.'"

After a brief discussion, Mr. Platt moved that the Federal Reserve Agent at San Francisco be advised that the Board has received his telegram setting forth the agreements filed with him by the Bank of Italy and the Bancitaly Corporation, which it regards as a compliance

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with the terms and conditions of its approval of the consolidation of the Bank of Italy and the Liberty Bank of America.

Carried.

The Governor then brought up the matter referred to the Committee on Examinations at the meeting yesterday, namely, telegram dated February 16th from the Federal Reserve Agent at San Francisco, advising that he and the Executive Committee of that bank have approved applications of the American Trust Company of San Francisco for permission to establish branches at 7th and Market Streets, 16th and Wood Streets, and 40th and Telegraph Avenue, all in Oakland, at Domingo and Ashby Avenues, Berkeley and at Highland and Magnolia Avenues, Piedmont.

Following a discussion, upon motion by Mr. Platt, it was voted to approve the applications referred to, Mr. Cunningham voting "no".

The Governor then referred to the action of the Board at the meeting on February 16th in deferring action on an application of the Pacific Southwest Trust and Savings Bank, Los Angeles, for permission to take over the Glendale Savings Bank with a branch at Montrose, to consolidate the head office at Glendale with its present Glendale branch and to establish an additional branch in the premises at Montrose.

Following a discussion, Mr. Platt moved that the application be approved.

Mr. Cunningham moved as a substitute that the application be disapproved in accordance with the recommendation of the Executive Committee of the Federal Reserve Bank of San Francisco.

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

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

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

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

Mr. Miller stated that had he been present at the meeting yesterday afternoon he would have voted against the approval of the consolidation of the Bank of Italy and the Liberty Bank of America, and that if the application of the Pacific Southwest Trust and Savings Bank now being considered was to be approved he thought such approval should be given by the members of the Board who yesterday gave approval to the Bank of Italy consolidation. He stated he therefore would not vote on this application.

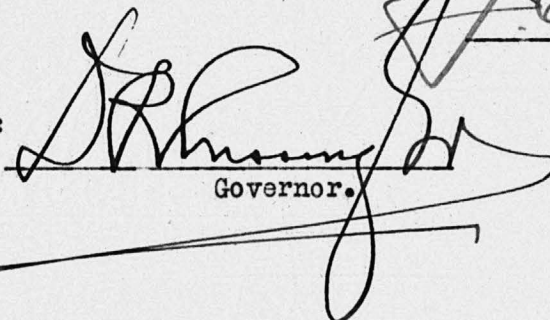
Mr. Platt then moved that the Board approve the application subject to approval by the Executive Committee of the Federal Reserve Bank of San Francisco.

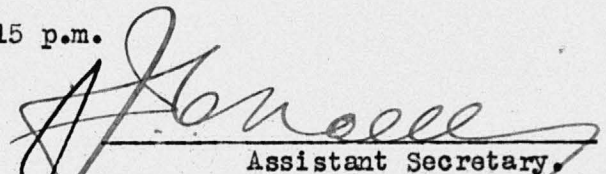
Mr. Platt's motion being put by the Chair was carried, the members voting as follows:

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

The meeting adjourned at 1:15 p.m.

Approved:


 Governor.


 Assistant Secretary.