A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, April 6, 1927 at 11:00 a.m.

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

The minutes of the meetings of the Federal Reserve Board held on April 1st and 6th were read and approved.

Letter dated April 7th 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 April 6th from the Chairman of the Federal Reserve Bank of Boston, 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 April 6th from the Chairman of the Federal Reserve Bank of Philadelphia, 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 April 6th from the Chairman of the Federal Reserve Bank of St. Louis, 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 April 7th from the Chairman of the Federal Reserve Bank of Dallas, 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 April 7th 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.

Report of Committee on Examinations on telegram dated April 7th from the Federal Reserve Agent at San Francisco, requesting the Board's approval of the consolidation of the United Bank and Trust Company and the French American Bank, both of San Francisco, which will be effected under the name of the United Bank and Trust Company and will result in the consolidated bank taking over the three branches of the French American Bank, all of which are located in San Francisco and eight branches of the present United Bank and Trust Company, all outside of San Francisco; the Committee recommending approval.

Approved.

Letter dated April 6th from the Treasurer of the United States, advising that no applications were received from national banks during the quarter ending March 31st for the sale of bonds under Section 13 of the Federal Reserve Act.

Noted.
Memorandum from Counsel dated April 4th, approved by the Law Committee, with reference to the application of Mr. Pierre F. Goodrich for permission to serve at the same time as director of the Continental National Bank and the Aetna Trust and Savings Bank, both of Indianapolis, Indiana, and the Peoples Loan and Trust Company of Winchester, Indiana; Counsel recommending that the Board temporarily refuse the application as between the Continental National Bank and the Aetna Trust and Savings Bank, advise the applicant that on the evidence before it it can not permit him to serve the two institutions mentioned and request him within twenty days to notify the Board whether he desires to furnish any additional information in support of his application, with the understanding that if notice is not given within that time the Board's refusal will be considered final.

Upon motion, Counsel's recommendation was adopted and Mr. Goodrich's application was temporarily refused.

Draft of letter to the Deputy Governor of the Federal Reserve Bank of New York, prepared by the Secretary under the direction of the Governor, submitting topics for consideration at the Conference of Governors to be held in Washington on May 9th.

Thereupon ensued a discussion as to the advisability of a suggestion of the Deputy Governor of the Federal Reserve Bank of New York, approved in the proposed letter, that the Governor of the Federal Reserve Bank of Atlanta be requested to report to the Conference concerning the purpose underlying the establishment of the Havana Agency of that bank and what has been accomplished as a result of its operations.

The other topics set forth in the proposed letter were also discussed and Mr. Miller moved that the Board reconsider its action of March 17th in voting to refer to the Federal Advisory Council and the next Conferences of
Governors and Federal Reserve Agents, the question of a system policy with respect to the publication by the Federal Reserve Agents or the Federal Reserve banks of their findings in examinations of member banks made under their supervision.

Mr. Miller's motion being put by the Chair was carried.

Mr. Miller then moved that this topic not be referred to the forthcoming Conference of Governors or the next meeting of the Federal Advisory Council. Carried.

After further discussion, the proposed letter to the Deputy Governor of the Federal Reserve Bank of New York was approved as amended.

Telegrams dated April 6th and 8th from the Chairman of the Federal Reserve Bank of Atlanta, with further reference to conditions in Havana, Cuba and transfers of funds to Havana made through the Federal Reserve bank's agency there. Noted.

The Governor then submitted letters addressed to the Comptroller of the Currency by Mr. W. M. Lecompte, National Bank Examiner at New Orleans, and Mr. Ellis D. Robb, Chief National Bank Examiner for the 6th District, with regard to dissatisfaction expressed by certain national banks in Louisiana with their membership in the Federal Reserve System, and their relations with the New Orleans branch of the Federal Reserve Bank of Atlanta; the Examiners referring to a disposition on the part of some banks to surrender their national charters and discontinue membership in the System.

Following a discussion, Mr. Miller moved that the correspondence be referred to the Board's Committee on
District #6 with instructions to investigate the matters referred to therein and in its discretion to communicate regarding them with the Federal Reserve Bank of Atlanta.

Carried.

Letter dated April 7th from the Secretary of the National Foreign Trade Council, inviting the members of the Board to be present at the Council's fourteenth convention to be held at Detroit, May 25th - 27th.

Noted.

Memorandum from Counsel dated April 1st, submitting draft of reply to letters dated March 22nd and 28th from the Deputy Governor of the Federal Reserve Bank of St. Louis, inquiring whether a Federal Reserve bank may properly receive deposits from and issue cashiers' checks to examiners in charge of suspended national banks or receivers of insolvent national banks; the proposed reply stating, in effect, that while a Federal Reserve bank may receive deposits from and issue cashiers' checks to an examiner in charge of a suspended national bank, it may not do so for the receiver of an insolvent national bank since under the law the membership of such a bank should be terminated as soon as possible after a receiver is appointed.

Upon motion, the letter was approved.

Letter dated April 7th from Deputy Governor Case of the Federal Reserve Bank of New York, who was designated as Chairman of the Committee appointed by the Federal Reserve Board to consider the safekeeping function of the Federal Reserve banks; Mr. Case submitting a copy of the committee's report and advising that copies are also being forwarded to the Governors of all Federal Reserve banks for their consideration in advance of the next
Governors' Conference, at which the findings and recommendations of the Committee will be considered.

The report of the Committee was read to the Board and there ensued an informal discussion of the function covered thereby, with particular reference to the legal questions involved.

Following the discussion, the report was referred to the Law Committee.

REPORTS OF STANDING COMMITTEES:

Dated, April 6th, 8th, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date. Recommendations approved.

Dated, April 4th, Recommending action on application for fiduciary powers as set forth in the Auxiliary Minute Book of this date. Recommendation approved.

Dated, April 4th, Recommending approval of the application of Mr. Thomas F. Chamberlain for permission to serve at the same time as President and director of the Austin National Bank, Chicago, Ill., and as director of the Stockmen's Trust and Savings Bank, Chicago, Ill.

Recommendation approved.

Dated, April 4th, Recommending approval of the application of Mr. Ernest H. Holtorff for permission to serve at the same time as director of the Mutual National Bank, Chicago, Ill., and as cashier of the Chicago City Bank and Trust Company, Chicago, Ill.

Recommendation approved.

The meeting adjourned at 1:00 p.m.

Approved:

[Signature]
Governor.