

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, July 18, 1929 at 11:30 a.m.

PRESENT: Vice Governor Platt
 Mr. Hamlin
 Mr. Miller
 Mr. James
 Mr. McClelland, Asst. Secretary

Telegram dated July 16th from the Chairman of the Federal Reserve Bank of San Francisco, advising that the Executive Committee on that date approved the establishment of the following schedule of rates for purchases of bankers acceptances:

1 to 120 days	-	5 1/4%
121 to 180 days	-	5 1/2%
Repurchase	-	5 1/4%

Without objection, noted with approval.

Telegrams dated July 17th from the Chairmen of the Federal Reserve Banks of Boston and Philadelphia, advising that their boards of directors at meetings on that date made no changes in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Letter dated July 16th from the Comptroller of the Currency, advising of the employment of Miss Alyce A. Agnew as money counter in the Federal Reserve Issue and Redemption Division, at a salary of \$1200 per annum.

Noted.

Telegram dated July 17th from the Chairman of the Federal Reserve Bank of Atlanta, advising that the Citizens Bank and Trust Company of Tampa, Fla., and thirteen other state institutions did not open for business on that

date. The Assistant Secretary referred to the fact that on June 17th the Board authorized the Federal Reserve Bank of Atlanta to rediscount for the Citizens Bank and Trust Company of Tampa paper originating in certain non-member banks and stated that several of the nonmember banks covered in that authorization are among those which have closed their doors.

Noted

Letter dated July 16th from the Comptroller of the Currency, requesting approval of a salary of \$3,600 per annum for National Bank Examiner Lloyd W. Stover, assigned to the Third Federal Reserve District.

Approved.

Memorandum dated July 17th from the Chief of the Division of Bank Operations, transmitting statements of expenditures by the Federal Reserve banks for educational and welfare work, etc. during the month of June and for the six months' period ending June 30th.

Ordered circulated.

Report of Committee on Examinations on application of the Puyallup State Bank, Puyallup, Washington, for permission, under the general condition of its membership in the Federal Reserve System, to exercise trust powers authorized in its articles of association; the Committee on Examinations recommending that the Board interpose no objection to the state member bank exercising all trust powers granted to trust companies in Washington by the laws of that state.

Upon motion, the application was approved in accordance with the recommendation of the Committee.

Letter dated July 17th from the Deputy Governor of the Federal Reserve Bank of New York, advising that there has been no change in the Open Market

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investment Account since his letter to the Board of July 10th; the Deputy Governor advising that with continuing firm money, the Government security market has become somewhat weaker and that conditions in the bill market have also changed, bills moving less freely although there has been a fair demand.

Noted.

Memorandum from Counsel dated June 13th, with reference to improper advertising of bonds issued by the Universal Mortgage Corporation of Portland, Oregon, based upon the fact that the bonds in question were secured by mortgages pledged with the United States National Bank of Portland as trustee; Counsel submitting draft of a letter to the Attorney General, advising that since the Department of Justice has brought about discontinuance of the improper advertising, the Board desires to suggest no further action by it but requesting an expression of opinion as to the advisability of publishing in the Federal Reserve Bulletin a statement suggesting that national banks scrutinize all advertisements of bond issues under which they are acting as trustee in order to prevent the use of misleading statements. In his memorandum, Counsel suggested that before a letter to the Attorney General is dispatched or the proposed statement is published in the Bulletin, the Comptroller of the Currency be consulted.

After discussion, upon motion, it was voted to refer Counsel's memorandum and the documents attached to the Comptroller of the Currency.

Memorandum from Counsel dated July 16th submitting, in accordance with the request of the Executive Committee at its meeting on July 10th, draft of a letter for the signature of the Secretary of the Treasury to the Chairman of

the Committee on Banking and Currency of the Senate, regarding S.1247, a bill fixing maximum legal and contract rates of interest between residents in different states; the proposed letter not passing upon the merits of the bill, but recommending that it be amended so as not to apply to the discount rates of the Federal Reserve banks.

After discussion, it was voted to amend the proposed letter by eliminating certain detailed discussion regarding the operation of Federal Reserve bank rates and to approve it as amended.

At this point, Mr. W. H. Fuqua, President of the First National Bank of Amarillo, Texas, entered the meeting and advised the Board of an application which has been made to the Federal Reserve Bank of Dallas for the establishment of a branch Federal Reserve bank in Amarillo. He advised the Board that a hearing was held by the Dallas directors and that a report thereon will probably be received by the Board in due course. He discussed briefly business and banking conditions in the territory which would be served by the proposed branch and requested favorable consideration thereof by the Board.

REPORTS OF STANDING COMMITTEES:

Dated, July 17th, Recommending changes in stock at Federal Reserve Banks as set forth in the Auxiliary Minute Book of this date.
Recommendations approved.

Dated, July 17th, Recommending action on applications for fiduciary powers
18th, as set forth in the Auxiliary Minute Book of this date.
Recommendations approved.

Dated, July 17th, Recommending action on applications for admission of state banks, subject to the conditions stated in the individual reports attached to the applications, as set forth in the Auxiliary Minute Book of this date.
Recommendations approved.

Dated, July 16th, Recommending approval of the application of Mr. Clarence E. Wilson for permission to serve at the same time as director of the Bryn Mawr National Bank of Bryn Mawr, Pa., and as director of the Bryn Mawr Trust Company of Bryn Mawr, Pa.
Approved.

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REPORTS OF STANDING COMMITTEES: (Cont'd)

Dated, July 16th, Recommending approval of the application of Mr. William H. Ramsey for permission to serve at the same time as director of the Bryn Mawr National Bank of Bryn Mawr, Pa., and as director of the Bryn Mawr Trust Company of Bryn Mawr, Pa.

Approved.

Dated, July 16th, Recommending approval of the application of Mr. Joseph H. Morris for permission to serve at the same time as director of the Bryn Mawr National Bank of Bryn Mawr, Pa., and as director of the Bryn Mawr Trust Company of Bryn Mawr, Pa.

Approved.

Dated, July 18th, Recommending approval of the application of Mr. Joseph P. Rudden for permission to serve at the same time as director of the Springfield Gardens National Bank of New York of Springfield Gardens, N. Y., and as director of the Globe Exchange Bank of Brooklyn, N. Y.

Approved.

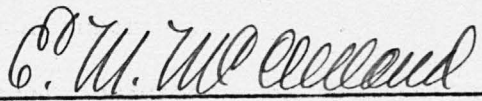
Dated, July 18th, Recommending approval of the application of Mr. Herbert E. Jefferson for permission to serve at the same time as director of the Peoples National Bank of Montclair, N. J., and as director of the Montclair Trust Company of Montclair, N. J.

Approved.

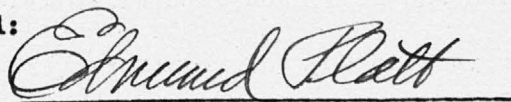
Dated, July 18th, Recommending approval of the application of Mr. Raymond G. Hannahs, for permission to serve at the same time as director and officer of the Watertown National Bank of Watertown, N. Y., and as director of the First National Bank of Lafargeville, N. Y.

Approved.

The meeting adjourned at 12:30 p.m.


Assistant Secretary.

Approved:


Vice Governor.