

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Monday, December 2, 1929 at 11:30 a.m.

PRESENT: Governor Young
 Mr. Platt
 Mr. Hamlin
 Mr. James
 Mr. Cunningham
 Mr. McClelland, Asst. Secretary

The minutes of the meeting of the Federal Reserve Board held on November 26th were read and approved.

Matter approved on initials on November 29th, namely, application of The Genesee River National Bank of Mt. Morris, N. Y., for general fiduciary powers, effective if and when it is consolidated with the Bingham State Bank of Mt. Morris, with a capital of \$100,000, and is authorized by the Comptroller of the Currency to commence business as the Genesee River National Bank and Trust Company of Mt. Morris.

Formally approved.

The Governor then stated that special order of business for the meeting next Monday, December 9th, will be the appointment of Class C Directors of Federal Reserve banks and directors of branch Federal Reserve banks and the designation of Chairmen and Deputy Chairmen for the year 1930. He requested that the recommendations of the District Committees be filed with the Secretary before that date.

Telegram dated November 26th from the Chairman of the Federal Reserve Bank of San Francisco, advising of the establishment on November 25th of the following schedule of rates for purchases of bankers acceptances:

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

Without objection, noted with approval.

12/2/29

-2-

Letter dated November 27th from the Secretary of the Federal Reserve Bank of New York, advising that the board of directors at a meeting on that date made no change in the bank's existing schedule of rates of discount and purchase.

Without objection, noted with approval.

Letter dated November 27th from the Deputy Governor of the Federal Reserve Bank of New York, advising of operations in the open market during the week ending November 27th and of conditions in the bill and securities markets; the letter stating that the holdings in the open market investment account and the New York bank's portfolio remain unchanged.

Noted.

Report of Executive Committee on letter dated November 30th from the Comptroller of the Currency, recommending approval of a salary of \$4,000 per annum for National Bank Examiner Robert S. Beatty, assigned to the Seventh Federal Reserve District; the Board's Committee also recommending approval.

Approved.

Report of Committee on Salaries and Expenditures on letter dated November 25th from the Governor of the Federal Reserve Bank of Kansas City, requesting approval of a subscription of \$1,000 to the credit protection fund of the National Association of Credit Men, authorized by the directors of the bank subject to the Board's approval; the Board's Committee recommending approval.

Approved.

Report of Committee on Salaries and Expenditures on list submitted

12/2/29

-3-

by the Federal Reserve Bank of New York of employees for whom the directors of that bank authorized leaves of absence with pay, on account of illness, during the month of October, where the total of such absences since January 1, 1929, has exceeded thirty days; the Board's Committee recommending approval of the salary payments involved.

Approved.

Report of Committee on Examinations on letter dated November 26th from the Federal Reserve Agent at Richmond, recommending approval of an application of the new Baltimore Trust Company, Baltimore, Md., for permission to accept drafts and bills of exchange drawn upon it up to 100% of its paid-up and unimpaired capital and surplus; the Board's Committee also recommending approval.

Approved.

Telegram dated November 29th from the Governor of the Federal Reserve Bank of Minneapolis, inquiring whether the Board feels as it did a year ago as to the advisability of Governors of the Federal Reserve banks giving out forecasts for 1930 for publication. In this connection, the Vice Governor reported a similar inquiry made of him over the telephone by Governor Norris of the Federal Reserve Bank of Philadelphia.

Upon motion, it was voted to advise the Federal Reserve banks that the Board still entertains the view set out in its letter of December 10, 1928 (X-6194) on the subject "Articles for end of the year publications".

Telegram dated November 30th from the Chairman of the Federal Reserve Bank of Richmond, advising of the reelection of Mr. L. E. Johnson as Class A Director of the Bank, and Mr. D. R. Coker as Class B Director, both for

12/2/29

-4-

terms of three years beginning January 1, 1930.

Noted.

Telegram dated November 30th from the Chairman of the Federal Reserve Bank of Chicago, advising of the election of Mr. George J. Schaller as Class A Director of the bank and Mr. Robert M. Feustel as Class B Director, both for terms of three years beginning January 1, 1930.

Noted.

Telegram dated November 30th from the Secretary of the Federal Reserve Bank of Minneapolis, advising of the reelection of Mr. J. C. Bassett as Class A Director of the Bank and Mr. N. B. Holter as Class B Director, both for terms of three years beginning January 1, 1930.

Noted.

Memorandum dated November 30th from the Board's Chief Examiner on the matter referred to him at the meeting of the Board on March 13, 1928, namely, the question of examining member banks operating numerous branches by simultaneous entrance at the head office and all branches; the memorandum stating that the question was discussed in detail with the officials at the Federal Reserve Bank of San Francisco and it was the consensus of opinion that such a procedure is not practicable when the branch system has been expanded to a point that would require the services of a very large number of men, since the concentration of a very large number of qualified men would entail an almost prohibitive expense for transportation, subsistence and salaries and, aside from the cost, it would be a very difficult problem to secure the required number of men sufficiently qualified to conduct an examination of a type that would fully justify the very heavy expense involved.

12/2/29

-5-

After brief discussion, the memorandum was noted and action was deferred.

Memorandum dated November 30th from the Chief Examiner, submitting report of an examination of the Shawmut Corporation of Boston, Massachusetts, made as at the close of business February 21, 1929.

Referred to the Committee on Examinations.

Memorandum dated November 30th from the Chief Examiner, submitting report of examination of the Federal Reserve Bank of Dallas and its branches, made as at the close of business March 6, 1929.

Referred to the Committee on Examinations and Committee on District #11.

Memorandum dated November 30th from the Chief Examiner, submitting report of examination of the Federal Reserve Bank of St. Louis and its branches, made as at the close of business March 23, 1929.

Referred to the Committee on Examinations and Committee on District #8.

Memorandum dated November 18th from Counsel, with reference to questions regarding acceptances raised by Roosevelt & O'Connor, attorneys of New York City, in connection with financing which the proposed Federal International Banking Company expects to undertake upon completion of its organization under Section 25 (a) of the Federal Reserve Act; Counsel submitting draft of a letter to Roosevelt & O'Connor, suggesting that they consult with Deputy Governor Kenzel of the Federal Reserve Bank of New York on the questions they have in mind and a letter to Mr. Kenzel requesting him to furnish the Board, after conferring with Roosevelt and O'Connor, with a statement on the questions presented and an expression of his views relative thereto.

12/2/29

-6-

Upon motion, the letters submitted by Counsel were approved.

Memorandum from Counsel dated November 26th submitting, in accordance with the action of the Board at its meeting on November 22nd, drafts of letters to the Chairmen of the Banking and Currency Committees of the Senate and House of Representatives recommending amendments to the Federal Reserve Act which would permit the cancellation of Federal Reserve bank stock held by member banks which have gone out of business without a receiver or liquidating agent having been appointed.

Upon motion, the letters submitted by Counsel were approved.

Matter ordered circulated at the meeting on November 21st, namely, memorandum from Counsel dated November 8th with reference to the proposed cancellation of the agreement entered into with the Board, under the provisions of Section 25 of the Federal Reserve Act, by the First National Corporation of Boston; Counsel submitting draft of a letter to the Corporation advising that the Board will cancel the agreement if the board of directors of the Corporation will adopt a form of resolution submitted and file a certified copy of such resolution with the Board.

Upon motion, the letter to the First National Corporation, submitted with Counsel's memorandum, was approved.

REPORTS OF STANDING COMMITTEES:

- Dated, November 27th, December 2nd, Recommending changes in stock at Federal Reserve Banks as set forth in the Auxiliary Minute Book of this date.
Recommendations approved.
- Dated, November 27th, Recommending action on an application for admission of a state bank, subject to the conditions stated in the individual report attached to the application, as set forth in the Auxiliary Minute Book of this date.
Recommendation approved.

12/2/29

-7-

REPORTS OF STANDING COMMITTEES: (Cont'd)

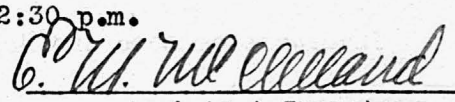
- Dated, November 25th, Recommending approval of the application of Mr. Henry W. Dew, for permission to serve at the same time as director of the Florida National Bank of Jacksonville, Fla. and as director of the Florida National Bank at Lakeland, Fla.
Approved.
- Dated, November 25th, Recommending approval of the application of Mr. W. O. Boozer, for permission to serve at the same time as officer of The Atlantic National Bank of Jacksonville, Fla., as director of the Palatka Atlantic National Bank of Palatka, Fla., and as director of the West Palm Beach Atlantic National Bank of West Palm Beach, Fla.
Approved.
- Dated, November 25th, Recommending approval of the application of Mr. J. S. Moss, Jr., for permission to serve at the same time as officer of the First National Bank of Miami, Fla., and as director of the West Palm Beach Atlantic National Bank of West Palm Beach, Fla.
Approved.
- Dated, November 25th, Recommending approval of the application of Mr. Willard Hamilton for permission to serve at the same time as director and officer of the Florida National Bank at Lakeland, Fla. and as director of the Florida National Bank of Jacksonville, Fla.
Approved.
- Dated, November 25th, Recommending approval of the application of Mr. F. B. Childress, for permission to serve at the same time as officer of the Atlantic National Bank of Jacksonville, Fla., and as director of the West Palm Beach Atlantic National Bank of West Palm Beach, Fla.
Approved.
- Dated, November 26th, Recommending approval of the application of Mr. Graham Coventry, for permission to serve at the same time as director and officer of the Utica Trust and Deposit Company of Utica, N. Y., and as director of the First National Bank of Trenton at Barneveld, N. Y.
Approved.
- Dated, November 26th, Recommending approval of the application of Mr. Hillsman Taylor, for permission to serve at the same time as director of the First National Bank in St. Louis, Mo., as director of the Union Planters National Bank & Trust Company of Memphis, Tenn., and as director of the Holston-Union National Bank of Knoxville, Tenn.
Approved.

The meeting adjourned at 12:30 p.m.

Approved:



Governor.



Assistant Secretary.