

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, December 10, 1929 at 12:00 o'clock noon.

PRESENT: Governor Young  
 Mr. Platt  
 Mr. Hamlin  
 Mr. Miller  
 Mr. Pole  
 Mr. McClelland, Asst. Secretary

Telegrams dated December 6th from the Secretary of the Federal Reserve Bank of Cleveland and the Chairman of the Federal Reserve Bank of Dallas, both advising that their boards of directors at meetings on the dates stated made no changes in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

The Governor reported that in accordance with the authority granted by the Board on November 22nd he approved action taken by the board of directors of the Federal Reserve Bank of Atlanta yesterday in voting to establish a re-discount rate of  $4 \frac{1}{2}\%$  on all classes of paper of all maturities, effective today.

Upon motion, the rate of  $4 \frac{1}{2}\%$  on all classes of paper of all maturities established by the Atlanta directors, effective December 10th, was formally approved, Mr. Platt voting "no".

He also reported establishment by the Atlanta bank yesterday of the following schedule of buying rates:

Bankers acceptances:		
1 to 120 days	-	$4\%$
121 to 180 days	-	$4 \frac{1}{2}\%$
Repurchase	-	$4\%$
Governments repurchase	-	$4 \frac{1}{2}\%$

Without objection, noted with approval.

Matter approved on initials yesterday, namely, telegram to the Federal Reserve Agent at San Francisco, advising that the Board waives, for the year 1930, the requirement of the by-laws of the bank that at least one director

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of each branch, appointed by the bank, shall reside outside of the city in which the branch is located.

Formally approved.

Reports of Committee on Salaries and Expenditures on lists submitted by the Federal Reserve Banks of Cleveland and Dallas, of employees for whom the directors of those banks authorized leaves of absence with pay, on account of illness, during the month of November, 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 Salaries and Expenditures on list submitted by the Federal Reserve Bank of Chicago, of employees for whom the directors of that bank authorized leaves of absence with pay, on account of illness, during the period October 25th to November 21st, 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 Executive Committee on letter dated December 7th from the Comptroller of the Currency, recommending approval of a salary of \$2700 per annum for National Bank Examiner Harold E. Laufer (junior grade), assigned to the Seventh Federal Reserve District; the Board's Committee also recommending approval.

Approved.

Bond in the amount of \$50,000, executed under date of December 2nd by

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Mr. C. M. Stewart, Assistant Federal Reserve Agent at St. Louis.

Approved.

Report of Committee on Research and Statistics on letter dated November 27th from the Federal Reserve Agent at Dallas, transmitting a request from Mr. H. M. Young, Assistant District Manager of the Bureau of Foreign and Domestic Commerce, Department of Commerce, which has recently opened an office in Dallas, that the office be furnished with information gathered by the Federal Reserve bank regarding crop conditions, wholesale and retail trade, financial conditions and bank failures, for transmission to the Department at Washington; the Committee recommending approval of the request.

Upon motion, it was voted to interpose no objection to the Dallas bank furnishing the local office of the Department of Commerce with the information requested.

Letter dated December 6th from the Chairman of the Federal Reserve Bank of Kansas City, advising of the reappointment of Messrs. T. L. Davis and Henry Swan as directors of the Omaha and Denver branches, and the appointment of Mr. H. H. Ogden as director of the Oklahoma City Branch, all for terms of three years, beginning January 1, 1930; the letter also reporting the reappointment of Messrs. E. H. Earhart, J. E. Olson and C. E. Daniel as Managing Directors of the respective branches for the year 1930.

Noted.

Letter dated December 5th from the Chairman of the Federal Reserve Bank of Minneapolis, advising of the death by suicide of Mr. Paul N. Myers, Class B Director of that bank.

Noted with regret, and the Governor requested to extend the sympathy of the Board to Mr. Myers' family and associates.

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Letter dated December 4th from the Federal Reserve Agent at Minneapolis, reporting that the First National Bank of Conrad, Montana, was continuously deficient in its reserves during the six months ending with October 1929; the Agent stating, however, that the bank carried adequate reserves during the entire month of November and recommending that no action be taken by the Board under Regulation "D".

Noted, with approval.

Report of Executive Committee on memorandum dated December 7th from the Comptroller of the Currency, recommending approval of an application of the First National Bank of Morris, Illinois, for permission to reduce its capital stock from \$300,000 to \$100,000, on condition that there be eliminated from the bank real estate loans aggregating about \$9,200 with prior liens, real estate bonds of \$61,800, items in Claims and Judgments aggregating \$7,606, and a doubtful item of \$2,000 carried in loans and discounts, as well as any determined losses in assets; the Board's Committee recommending approval subject to the conditions suggested by the Comptroller.

Approved.

Memorandum from Counsel dated December 7th, submitting draft of reply to letter dated December 2nd from the Federal Reserve Agent at Chicago, inquiring whether the Continental National Bank and Trust Company of Chicago comes within the provisions of the Clayton Act since it has transferred to the Continental Illinois Bank and Trust Company all of its assets other than those of its various trusts and bonds, Federal Reserve bank stock and real estate loans to the amount of its reduced capital; the proposed reply stating that on account of the peculiar circumstances involved it appears that the Continental National Bank

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and Trust Company is not at this time doing any commercial banking business and it, therefore, comes within the exception to the Clayton Act made in the act of March 2, 1929.

Upon motion, the letter submitted by Counsel was approved.

Memorandum from Counsel dated December 4th recommending that the Board renew its subscription to the Congressional Legislative Service of the Corporation Trust Company for the present session of Congress; the memorandum stating that the Board on June 12th in approving additional expenditures by Counsel's office during the year, included an item of \$200 to cover the cost of the service for the special session of Congress and the regular session which has just commenced.

Upon motion, Counsel's recommendation was approved.

Memoranda dated December 9th from Mr. J. F. Herson, submitting reports of examinations of the Federal Reserve Banks of Minneapolis, Philadelphia and New York, made as at the close of business April 13, May 4 and May 25, 1929, respectively.

Referred to the Committee on Examinations and the appropriate District Committees.

The minutes of the meeting of the Federal Reserve Board held on December 6th were read and approved.

REPORTS OF STANDING COMMITTEES:

- Dated, December 6th, 7th, 9th, Recommending changes in stock at Federal Reserve Banks as set forth in the Auxiliary Minute Book of this date. Recommendations approved.
- Dated, December 5th, 9th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date. Recommendations approved.
- Dated, December 6th, Recommending approval of the application of Mr. Edward W. Lane, for permission to serve at the same time as director and officer of the Atlantic National Bank of Jacksonville, Fla., as director of the Citizens & Southern National Bank of Savannah, Ga., and as director and officer of the West

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REPORTS OF STANDING COMMITTEES: (Cont'd)

Palm Beach Atlantic National Bank of West Palm Beach,  
Fla.

Approved.

Dated, December 9th, Recommending approval of the application of Mr. D. M. Barnett for permission to serve at the same time as director and officer of the Barnett National Bank of Cocoa, Fla., and as director and officer of the Barnett National Bank of Jacksonville, Fla.

Approved.

The meeting adjourned at 12:45 p.m.

*E. W. Hill*

Assistant Secretary.

Approved:

*Raymond*

Governor.