

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Saturday, April 11, 1931, at 11:15 a. m.

PRESENT: Governor Meyer
 Mr. Hamlin
 Mr. Miller
 Mr. James
 Mr. McClelland, Assistant Secretary.

The Assistant Secretary presented the following reports and communications which were considered and acted upon as follows:

Matter noted with approval on April 10th, namely, telegram dated April 9th from Deputy Governor Kenzel of the Federal Reserve Bank of New York, advising that in order to offset apprehension of firmer money rates as the result of Treasury financing, the following schedule of buying rates on bankers' acceptances was made effective at the New York bank on that date.

| | |
|-----------------|--------|
| 1 to 90 days | 1 1/2% |
| 91 to 120 days | 1 5/8% |
| 121 to 180 days | 2 % |
| Repurchase | 1 1/2% |

There being no objection, the informal action taken yesterday was ratified.

Telegrams dated April 9th and 10th from the Chairman of the Federal Reserve Bank of Chicago and the Governor of the Federal Reserve Bank of St. Louis, respectively, both advising that on the dates of their telegrams the following schedule of buying rates on bankers' acceptances was made effective.

| | |
|-----------------|--------|
| 1 to 90 days | 1 1/2% |
| 91 to 120 days | 1 5/8% |
| 121 to 180 days | 2 % |

Without objection, noted with approval.

Telegram dated April 10th from the Secretary of the Federal Reserve Bank of Minneapolis, advising that the following schedule of buying rates on

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bankers' acceptances was made effective on that date.

| | |
|-----------------|--------|
| 1 to 90 days | 1 1/2% |
| 91 to 120 days | 1 5/8% |
| 121 to 180 days | 2 % |
| Repurchase | 1 1/2% |

Without objection, noted with approval.

Letter dated April 9th from the Secretary of the Federal Reserve Bank of New York, and telegrams dated April 10th from the Secretary of the Federal Reserve Bank of Cleveland, the Chairman of the Federal Reserve Bank of Richmond and the Secretary of the Federal Reserve Bank of Atlanta, all 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.

Report of Committee on Salaries and Expenditures on list submitted by the Federal Reserve Bank of Richmond, of employees for whom the directors of that bank authorized leaves of absence with pay, on account of illness, during the month of March where the total of such absences since January 1, 1931 has exceeded thirty days; the Board's Committee recommending approval of the salary payments involved.

Approved.

Letter dated April 7th from the Assistant Federal Reserve Agent at Chicago with reference to the action of the Dearborn State Bank, Dearborn, Michigan, a member institution, in purchasing the assets of the American State Bank of Dearborn, under date of March 14th; the Assistant Federal Reserve Agent advising that the Executive Committee of the Chicago bank at its meeting on April 3rd voted to approve the action of the member bank,

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being of the opinion that the purchase of the American State Bank did not involve a violation of any of its conditions of membership in the Federal Reserve System.

Upon motion, it was voted to interpose no objection to the action of the member bank.

Memorandum dated March 30th from the Board's Examiner in Charge, submitting report of examination of the Federal Reserve Bank of Minneapolis and its Helena Branch, made as at the close of business February 17, 1931.

Ordered circulated.

The Governor referred to an entry in the above report that on June 26, 1930, the Executive Committee of the Federal Reserve Bank of Minneapolis voted to pay Mrs. Gray Warren, widow of the former cashier of the bank, who died on June 21, 1930, the balance of Mr. Warren's salary for the year 1930, and that a payment of \$3,000 was accordingly made.

The Governor stated that he had looked over the Board's file with regard to the payment made by the Federal Reserve Bank of Cleveland in 1925 to the widow of Mr. D. C. Wills, and also regarding the payment to the estate of Governor Strong by the Federal Reserve Bank of New York, which was disapproved by the Board early in 1930.

He suggested that this payment could best be taken up by personal conference with Governor Geery of the Minneapolis Bank at the time he is here attending the Governors' Conference and upon motion, the matter was referred to the Governor for investigation and report.

It was also suggested and voted that the general question of compensation for officers and employees of the Federal Reserve banks after death and during periods of incapacitation and extended illness be brought up for discussion at the forthcoming conference of Governors.

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The Governor then reported that he had received a communication from Governor Norris of the Federal Reserve Bank of Philadelphia, advising that he had been invited to take a position of public trust for a limited period of time, which he would not accept without the approval of the Federal Reserve Board, and in connection with which he would take a leave of absence for six or nine months, and possibly a year, without compensation from the Federal Reserve Bank of Philadelphia.

After discussion, the Governor was instructed to inform Governor Norris by telephone that the Board feels unable to accede to the suggestion of a leave of absence for a prolonged period at this time.

The Governor then reported on his attendance yesterday, with Mr. Hamlin, at the meeting of the Stockholders of the Federal Reserve Bank of Richmond.

REPORTS OF STANDING COMMITTEES:

Dated, April 9th Recommending changes in stock at Federal Reserve Banks,
 10th as set forth in the Auxiliary Minute Book of this date.
 11th Recommendations approved.

The meeting adjourned at 11:50 a. m.

C. W. Cleveland
 Assistant Secretary

Approved:

Eugene Meyer
 Governor

(Executive
Committee)AUXILIARY MINUTES
(April 11, 1931.)

Reports of Standing Committee dated April 9th, 10th and 11th,
recommending changes in stock at Federal Reserve Banks, approved as follows:

| <u>Applications for ORIGINAL Stock:</u> | <u>Shares</u> | |
|--|---------------|-----|
| <u>District No. 2.</u> Kearny National Bank, Kearny, New Jersey. | 180 | 180 |
| <u>District No. 7.</u> First National Bank in Sioux City, Iowa. | 300 | 300 |
| | Total | 480 |
| <u>Applications for SURRENDER of Stock:</u> | | |
| <u>District No. 1.</u> First National Bank, Newton, Mass. (V.L.Abs. by Newton Trust Company) | 120 | 120 |
| <u>District No. 4.</u> Citizens National Bank, Wilmington, Ohio. (Insolvent) | 90 | 90 |
| <u>District No. 7.</u> Citizens State Bank, Jamestown, Ind. (Expiration of charter) | 30 | 30 |
| | Total | 240 |

E. W. W. O'Connell

Assistant Secretary.

Approved:

Augustus
Governor.