

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Governor on Tuesday, April 28, 1931, at 10:45 a. m.

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

The Assistant Secretary presented various matters which were considered by the Committee and acted upon as follows:

Report of Law Committee, submitting without recommendation, application of Mr. L. W. Estes for permission to serve at the same time as an officer and director of the Columbia National Bank of Washington, D. C., and as a director of the Washington Loan and Trust Company of Washington, D. C., approval of which is recommended by the Federal Reserve Agent at Richmond. In this connection, consideration was given to a memorandum from Counsel dated April 23rd calling attention to the fact that Mr. Estes has served both banks for some time but has overlooked securing the approval of the Federal Reserve Board; also that the Board has heretofore approved five applications of other directors for permission to serve the two institutions referred to.

After discussion, upon motion, it was voted to permit Mr. Estes to continue to serve the two banks, and to advise him that the Federal Reserve Board reserves the right to reconsider at any time its action in approving the application.

Letter dated April 22nd from the Assistant Federal Reserve Agent at Minneapolis, transmitting a telegram from the cashier of the First National Bank of Dickinson, North Dakota, outlining the steps which the bank proposes to take to provide competent supervision for its trust

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department if its application for full trust powers, on which action was deferred at the meeting of the Executive Committee on April 21st, is approved.

In the light of the additional information submitted by the Assistant Federal Reserve Agent, the application, upon motion, was approved.

Letter dated April 23rd from the Secretary of the Federal Reserve Bank of New York, and telegram dated April 24th from the Chairman of the Federal Reserve Bank of Chicago, both advising that at meetings of their boards of directors on the dates stated, no changes were made in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Matters informally approved by the Executive Committee on April 22nd, namely, telegraphic requests from the Governors of the Federal Reserve Banks of Boston and Chicago for approval of minimum authorized buying rates for bankers' acceptances of $1 \frac{1}{4}\%$.

Formally approved.

Letter dated April 24th from the Secretary of the Federal Reserve Bank of Cleveland, requesting approval by the Board of a minimum authorized buying rate of $1 \frac{3}{8}\%$ for the purchase of bankers' acceptances at that bank.

Approved.

Telegram dated April 23rd from the Secretary of the Federal Reserve Bank of Minneapolis, and letter dated April 23rd from the Chairman of the Federal Reserve Bank of Dallas, advising of the establishment of the following schedule of effective buying rates on bankers' acceptances:

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1 to 45 days	1 3/8%
46 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 21st from the Secretary of the Federal Reserve Bank of Kansas City, advising of the establishment of the following schedule of effective buying rates on bankers' acceptances:

1 to 45 days	1 3/8%
46 to 90 days	1 1/2%
91 to 120 days	1 5/8%
121 to 180 days	2%

Without objection, noted with approval.

Telegrams dated April 22nd and 27th from the Federal Reserve Bank of New York advising that dealers, on those dates, made further reductions in their bid and asked rates on bills.

Noted.

Matter informally noted with approval by the Executive Committee on April 27th, namely, telegram dated April 27th from the Deputy Governor of the Federal Reserve Bank of New York, advising of the establishment on that date of the following schedule of effective buying rates on bankers' acceptances:

1 to 45 days	1 1/4%
46 to 120 days	1 3/8%
121 to 180 days	2%
Repurchase	1 3/8%

There being no objection, the informal action of the Committee was ratified.

Matter informally noted with approval by the Executive Committee on

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April 27th, namely, telegram dated April 27th from the Governor of the Federal Reserve Bank of Boston, advising of the establishment on that date of the following schedule of effective buying rates on bankers' acceptances:

1 to 45 days	1 1/4%
46 to 120 days	1 3/8%
121 to 180 days	2%
Repurchase	1 1/2%

There being no objection, the informal action of the Committee was ratified.

Report of Committee on Salaries and Expenditures on letter dated April 21st from the Comptroller of the Currency, recommending approval of a salary of \$2,700 per annum for National Bank Examiner Gerald Griffin, assigned to the First Federal Reserve District; the Board's Committee also recommending approval.

Approved.

Telegram dated April 23rd from the Federal Reserve Agent at Richmond, advising of the death on April 22nd, of Mr. H. B. Wilcox, director of the Baltimore Branch of the Federal Reserve Bank of Richmond.

Noted, with regret.

Memorandum from the Chief of the Division of Bank Operations, dated April 24th, advising that on April 8th the Federal Reserve Bank of Boston earmarked \$3,000,000 of gold coin, and on April 14th a like amount, for the account of the Argentine Embassy in Washington under substantially the same conditions as governed similar transactions in 1925 and 1930.

Noted.

Memorandum from Counsel dated April 7th, submitting draft of reply to letter dated March 21st from the Federal Reserve Agent at Chicago, in-

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quiring whether a branch office such as is contemplated by a recent Iowa statute may be established by a state member bank in that state; the proposed reply stating that the Board is clearly of the opinion that such a branch office would be a branch within the meaning of Section 9 of the Federal Reserve Act, and could not lawfully be established by an Iowa state member bank.

Upon motion, the proposed letter was approved.

Letter dated April 27th from the Comptroller of the Currency, replying to Board's letter of April 18th, with regard to continued deficiencies in the reserves of the First National Bank of Kinston, N. C., the National Bank of LaGrange, N. C., and the First National Bank of Victoria, Va.; the Comptroller stating that the First National Bank of Kinston has since closed, and that he concurs in the recommendation of the Federal Reserve Agent at Richmond that no action be taken at the present time with regard to the other two banks.

Upon motion, it was voted to approve the Federal Reserve Agent's recommendation, and to request him to keep the Board advised of any developments affecting either the National Bank of LaGrange or the First National Bank of Victoria.

Letter dated April 23rd from the Federal Reserve Agent at St. Louis, submitting copies of a report containing information relative to Caldwell and Company, A. B. Banks and Company and Banco Kentucky Company, requested by the Board in a letter addressed to him under date of January 29th.

Upon motion, it was voted to refer Mr. Wood's letter and enclosures to Counsel for report as to whether the information submitted, or any part thereof, should be transmitted to the Department of Justice.

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REPORTS OF STANDING COMMITTEES:

Dated, April 22nd Recommending changes in stock at Federal Reserve Banks,
23rd as set forth in the Auxiliary Minute Book of this date.
24th Recommendations approved.
25th
27th

Dated, April 22nd Recommending approval of the application of Mr. Val H.
Murrell, for permission to serve at the same time as a
director of the First National Bank of Longview, Texas,
and as a director and officer of the Commercial National
Bank of Shreveport, La.
Approved.

Dated, April 22nd Recommending approval of the application of Mr. Henry
Schafer, for permission to serve at the same time as a
director of the Fidelity National Bank of Oklahoma City,
Oklahoma, as a director of the Citizens National Bank of
El Reno, Oklahoma, and as a director of the First National
Bank of White Deer, Texas.
Approved.

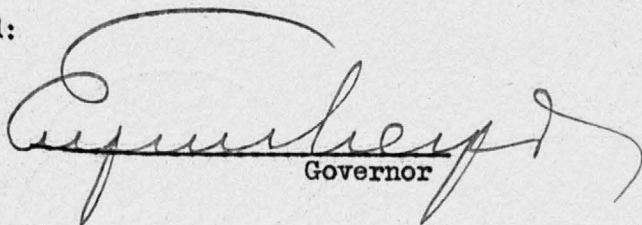
Dated, April 22nd Recommending approval of the application of Mr. Aaron L.
Jacoby, for permission to serve at the same time as a
director and officer of the Brooklyn National Bank of
New York and as a director of the Citizens Bank of
Brooklyn, N. Y.
Approved.

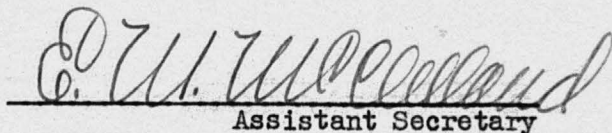
Dated, April 24th Recommending approval of the application of Mr. Howard
N. Flanders, for permission to serve at the same time as
a director and officer of the Webster and Atlas National
Bank of Boston, Mass., and as a director of the Malden
Trust Company, Malden, Mass.
Approved.

Dated, April 25th Recommending approval of the application of Mr. Harry
H. Rogers, for permission to serve at the same time as
a director and officer of the Exchange National Bank,
Tulsa, Oklahoma, and as a director of the City-Central
Bank & Trust Company, San Antonio, Texas.
Approved.

The meeting adjourned at 11:30 a. m.

Approved:


Governor


Assistant Secretary

(Executive
Committee)

AUXILIARY MINUTES
(April 28, 1931.)

Reports of Standing Committee dated April 22nd, 23rd, 24th, 25th, and 27th, 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>		
First National Bank in Washingtonville, N. Y.	39	39
<u>District No. 9.</u>		
Luverne National Bank, Luverne, Minnesota.	<u>36</u>	<u>36</u>
	Total	75
 <u>Application for ADDITIONAL Stock:</u>		
Fourth Northwestern National Bank, Minneapolis, Minn.	15	15
 <u>Applications for SURRENDER of Stock:</u>		
<u>District No. 1.</u>		
Boston-Continental National Bank, Boston, Mass. (Cons. of the Boston National Bank and Continental National Bank of Boston)	75	75
<u>District No. 4.</u>		
Coolville National Bank, Coolville, Ohio. (Insolvent)	30	
First National Bank, Weston, Ohio. (V.L.Abs. Citizens Banking Company of Weston)	<u>21</u>	51
<u>District No. 5.</u>		
National Bank of Norton, Norton, Va. (Insolvent)	48	48
<u>District No. 6.</u>		
Citizens Bank and Trust Company of Jefferson, Ga. (Insolvent)	69	
First National Bank, Panama City, Fla. (Insolvent)	<u>210</u>	279
<u>District No. 7.</u>		
First National Bank, Burt, Iowa. (Insolvent)	30	30
<u>District No. 9.</u>		
First National Bank, Durand, Wis. (V.L.Suc. by First National Bank in Durand)	78	78
<u>District No. 12.</u>		
Bank of Commerce, Oregon City, Oregon. (Insolvent)	<u>114</u>	<u>114</u>
	Total	675

Approved:

[Signature]
Governor.

[Signature]
Assistant Secretary.