

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, July 2, 1931, at 12:00 noon.

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

The Assistant Secretary presented the following matters of business which were considered and acted upon by the Committee:

Application of The First National Bank in Sioux City, Iowa, which was organized in April, 1930, to take over certain assets and assume certain liabilities of the First National Bank of Sioux City, for permission to exercise trust powers; together with a letter from the Federal Reserve Agent at Chicago recommending that action be deferred until after receipt of a report of examination of the bank. In this connection consideration was also given to letter dated June 30th from the Comptroller of the Currency recommending that the bank be given permission to administer such trusts as were held by the First National Bank of Sioux City at the time of its closing and that no further powers be granted the new bank until a report of examination of the bank is available.

After some discussion, during which the Governor stated he would take up with Mr. Stevens the reasons for his recommendation that action be deferred until receipt of the examiner's report, it was voted to authorize the Governor, unless some reason for not doing so is developed in his discussion with the Federal Reserve Agent, to approve the application for limited powers in accordance with the recommendation of the Comptroller of the Currency.

Telegrams dated July 1st from the Chairmen of the Federal Reserve Banks of Philadelphia and St. Louis, advising that their Boards of Directors, at meetings on that date, made no change in the bank's existing schedules of

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rates of discount and purchase.

Without objection, noted with approval.

Report of Committee on Salaries and Expenditures on lists submitted by the Federal Reserve Banks of Boston and Chicago of employees for whom the directors approved leaves of absence with pay on account of illness during the month of June at Boston and the period from May 22nd to June 25th at Chicago, where the total of such absences since January 1, 1931, has exceeded thirty days; the Board's Committee recommending approval.

Approved.

Letter dated July 1st from the Governor of the Federal Reserve Bank of New York, advising that up to that date the recently arranged credit to the German Reichsbank had been drawn upon in the amount of \$48,000,000, the participation of the Federal Reserve System being \$12,000,000.

Noted.

Telegram dated July 1st from Deputy Governor Gilbert of the Federal Reserve Bank of New York, stating that the New York bank on that date earmarked \$50,000,000 of gold coin for the Treasurer of the United States for credit to the account of the New York bank in the gold settlement fund.

Noted.

Draft of reply to letter dated June 26th from the Federal Reserve Agent at St. Louis reporting that the Montgomery County Loan and Trust Company, Hillsboro, Illinois, was deficient in its reserve requirements during the period from October 1, 1930, to May 15, 1931; the proposed reply stating that in accordance with the Federal Reserve Agent's recommendation, no action will be taken on the matter at the present time, and requesting that the Agent advise whether the action of the member bank in absorbing

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the Peoples National Bank of Hillsboro and the State Bank of Taylor Springs has effected such a change in the general character of the assets of the member bank as to constitute a violation of the second condition under which it was admitted to membership in the Federal Reserve System.

Upon recommendation of the Committee on District No. 8, the proposed letter was approved and ordered transmitted.

Memorandum dated June 30th from the Fiscal Agent recommending that the Board bill the First Federal Foreign Banking Corporation in the amount of \$2,092.95 to cover the cost of the examination of the Corporation made by the Board's examiners under date of April 28, 1931.

Upon motion, the Fiscal Agent was authorized to bill the First Federal Foreign Banking Corporation in accordance with his recommendation.

REPORTS OF STANDING COMMITTEES:

Dated, July 1st 2nd Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date. Recommendations approved.

Dated, July 1st Recommending action on an application for fiduciary powers as set forth in the Auxiliary Minute Book of this date. Recommendation approved.

The meeting adjourned at 12:30 p. m.

E. W. McCall
Assistant Secretary.

Approved: [Signature]
Governor.

AUXILIARY MINUTES
(July 2, 1931.)

Reports of Standing Committee dated July 1st, and 2nd, recommending changes in stock at Federal Reserve Banks, approved as follows:

<u>Application for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 9.</u>		
Klein National Bank, Madison, Minnesota.	36	36
 <u>Applications for ADDITIONAL Stock:</u>		
<u>District No. 1.</u>		
Day Trust Company, Boston, Mass.	3	3
 <u>District No. 2.</u>		
Florida National Bank, Florida, N. Y.	30	30
 <u>District No. 4.</u>		
Provident Savings Bank & Trust Co., Cincinnati, Ohio.	78	78
 <u>District No. 7.</u>		
American Savings Bank & Trust Co., Davenport, Iowa.	60	
Peoples State Bank of Milan, Milan, Michigan.	30	90
	Total	201
 <u>Applications for SURRENDER of Stock:</u>		
<u>District No. 7.</u>		
American State Bank, Detroit, Mich. (Abs. by Peoples Wayne County Bank, Detroit, Mich., a member)	3,000	
Broadway National Bank, Chicago, Ill. (V.L.Abs. by Devon Trust and Savings Bank)	180	
Security National Bank, Rockford, Ill. (Insolvent)	150	3,330
 <u>District No. 10.</u>		
Security National Bank, Florence, Colo. (V.L.Abs. by First National Bank)	17	17
 <u>District No. 12.</u>		
First National Bank, Ducor, Calif. (V.L.Abs. by Bank of America of California)	18	18
	Total	3,365

Report of Standing Committee dated July 1st, recommending action on an application for fiduciary powers by the following bank:

HELD:

DISTRICT NO. 10.

KANSAS:

First National Bank in Larned. (3359. Powers 1,2,3 and 5)

C. W. Woodward
Assistant Secretary

Approved:

Eugene Meyer
Governor.