

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, July 17, 1931, at 10:45 a.m.

PRESENT: Mr. James, presiding
Mr. Miller
Mr. Magee
Mr. McClelland, Assistant Secretary.

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

Letter dated July 16th, from the Secretary of the Federal Reserve Bank of New York, and telegrams dated July 15th and 16th, from the Chairmen of the Federal Reserve Banks of Boston, Philadelphia, Kansas City and San Francisco, advising that the Boards of Directors, at meetings on the dates stated, made no change in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Letter dated July 14th from Deputy Governor Crane of the Federal Reserve Bank of New York, submitting a compilation of short term indebtedness between New York banks and bankers and foreign clients as of June 30, 1931.

Ordered circulated.

Letter dated July 16th from the Assistant Federal Reserve Agent at New York advising that on July 15, 1931, the Manufacturers Trust Company of New York City, a member bank, took over, on a liquidation basis, the assets and liabilities of the Lebanon National Bank of New York; the Assistant Federal Reserve Agent stating that the action of the member bank does not appear to conflict with the conditions under which it was admitted to membership in the Federal Reserve System.

Noted without objection.

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Memorandum from Counsel dated June 22nd, with regard to the application of Mr. E. B. Leisenring for permission to serve at the same time as director of the Philadelphia National Bank, the Fidelity-Philadelphia Trust Company, and the Girard Trust Company, all of Philadelphia; Counsel submitting draft of letter to the Federal Reserve Agent at Philadelphia requesting advice in greater detail as to the reasons why, in his opinion, the service of Mr. Leisenring as a director of the institutions involved would not be incompatible with public interest.

Upon motion, the proposed letter was approved.

Memorandum from Counsel dated July 15th submitting copy of a digest of the provisions of State laws permitting banks and trust companies to join the Federal Reserve System and authorizing member banks and trust companies to maintain the reserves required by the Federal Reserve Act in lieu of those required by the State law; Counsel stating that, in his opinion, it is not desirable to publish this digest in the Federal Reserve Bulletin because of the fact that since it shows not only the present status of such legislation but also the original enactments and all amendments thereto, it may be confusing.

Noted, a copy of the digest having been furnished to the individual members of the Board.

Letter dated July 15th from the Federal Reserve Agent at Philadelphia advising that the Hatboro National Bank, Hatboro, Penna., plans to acquire certain assets and assume the deposit liabilities of the Hatboro Trust Company, the latter institution having trust assets of slightly more than \$700,000, and that inasmuch as the national bank is desirous of qualifying

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to handle these trust accounts, it is considering the advisability of applying for full trust powers; the Federal Reserve Agent inquiring whether, in view of the circumstances outlined in his letter, the Board feels the application should be deferred.

After discussion, upon motion, it was voted to advise the Federal Reserve Agent at Philadelphia that the matter has been considered at a meeting of the Executive Committee, and, in the opinion of the members present, the Hatboro National Bank would be justified, under the circumstances outlined, in filing an application for permission to exercise fiduciary powers.

REPORTS OF STANDING COMMITTEES:

- Dated, July 15th Recommending changes in stock at Federal Reserve Banks,
16th as set forth in the Auxiliary Minute Book of this date.
17th Recommendations approved.
- Dated, July 16th Recommending approval of the application of Mr. Roger
Amory, for permission to serve at the same time as a
director of the National Rockland Bank, Boston, Mass.,
and as a director of The Kidder Peabody Trust Company,
Boston, Mass.
Approved.
- Dated, July 16th Recommending approval of the application of Mr. Herbert
Jackson, for permission to serve at the same time as a
director and officer of the First National Bank, Ludlow,
Ky., and as a director of the Peoples Liberty Bank and
Trust Co., Covington, Ky.
Approved.
- Dated, July 17th Recommending approval of the application of Mr. John R.
McDonald, for permission to serve at the same time as a
director and officer of the First National Bank of Erie,
Erie, Pa., and as a director of The Lawrence Park
National Bank, Lawrence Park, Pa.
Approved.
- Dated, July 17th Recommending approval of the application of Mr. James C.
Griffin, for permission to serve at the same time as a
director of the First National Bank of Erie, Erie, Pa.,
and as a director of The Lawrence Park National Bank,
Lawrence Park, Pa.
Approved.
- Dated, July 17th Recommending approval of the application of Mr. J. C.
Spencer, for permission to serve at the same time as a
director and officer of the First National Bank of Erie,
Erie, Pa., and as a director and officer of The Lawrence
Park National Bank, Lawrence Park, Pa.
Approved.

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REPORTS OF STANDING COMMITTEES: (Cont'd.)

Dated, July 17th Recommending approval of the application of Mr. Otto F. Behrend, for permission to serve at the same time as a director and officer of the First National Bank of Erie, Erie, Pa., and as a director and officer of The Lawrence Park National Bank, Lawrence Park, Pa.

Approved.

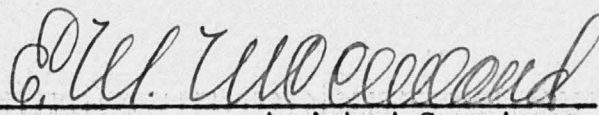
Dated, July 17th Recommending approval of the application of Mr. R. F. Devine, Jr., for permission to serve at the same time as a director of the First National Bank of Erie, Erie, Pa., and as a director of The Lawrence Park National Bank, Lawrence Park, Pa.

Approved.

Dated, July 17th Recommending approval of the application of Mr. H. L. R. Emmet, for permission to serve at the same time as a director of the First National Bank of Erie, Erie, Pa., and as a director of The Lawrence Park National Bank, Lawrence Park, Pa.

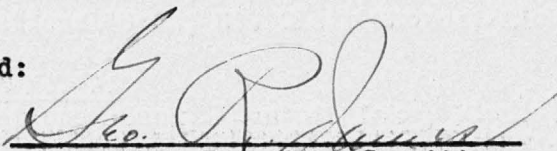
Approved.

The meeting adjourned at 11:30 a. m.



Assistant Secretary.

Approved:


Member, Executive Committee.

AUXILIARY MINUTES
(July 17, 1931)

(Executive
Committee)

Reports of Standing Committee dated July 15th, 16th and 17th, recommending changes in stock at Federal Reserve Banks, approved as follows:

<u>Applications for SURRENDER of Stock:</u>	<u>Shares</u>	
<u>District No. 2.</u>		
First National Bank & Trust Co., Middletown, N. Y.	180	
Merchants National Bank, Middletown, N. Y.	<u>180</u>	360
(Both above succeeded by First Merchants National Bank & Trust Co.)		
<u>District No. 4.</u>		
Citizens National Bank, Warren, Pa. (Insolvent)	120	120
<u>District No. 5.</u>		
Boone National Bank, Madison, W. Va. (Decrease in surplus)	30	
First National Bank, Kinston, N. C. (Insolvent)	103	
Planters National Bank, Saluda, S. C. (Insolvent)	72	
Bank of Woodruff, Woodruff, S. C. (Insolvent)	<u>71</u>	276
<u>District No. 6.</u>		
First National Bank, Prattville, Ala. (Insolvent)	42	
Commercial National Bank, Hattiesburg, Miss. (Insolvent)	<u>75</u>	117
<u>District No. 7.</u>		
First National Bank, Elliott, Iowa. (Insolvent)	39	
First National Bank, Royal Oak, Mich. (Insolvent)	120	
First National Bank, St. Clair Shores, Mich. (Insolvent)	<u>36</u>	195
<u>District No. 9.</u>		
First National Bank, Mountain Lake, Minn. (Insolvent)	29	
First National Bank in Litchfield, Litchfield, Minn. (V.L.Suc. by Northwestern National Bank)	<u>63</u>	92
<u>District No. 10.</u>		
First National Bank, Valley Falls, Kans. (V.L.Abs. by Kendall State Bank)	18	
First National Bank, Gresham, Nebr. (V.L.Abs. by Gresham State Bank)	<u>36</u>	54
<u>District No. 11.</u>		
Alba National Bank, Alba, Texas. (V.L.Abs. by First National Bank of Mineola, Texas)	30	30
<u>District No. 12.</u>		
First National Bank, Salida, Calif. (V.L.Abs. by Modesto Trust & Savings Bank)	17	
Paisley National Bank, Paisley, Oreg. (V.L.Abs. by Commercial National Bank, Lakeview, Oreg.)	30	

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<u>Applications for SURRENDER of Stock: (Cont'd)</u>	<u>Shares</u>	
<u>District No. 12. (Cont'd)</u>		
First National Bank, Marysville, Calif. (V.L.Abs.)		
by Bank of America National Trust & Savings		
Association, San Francisco, Calif.)	<u>42</u>	<u>89</u>
	Total	1,333

E. W. Hill

 Assistant Secretary.

Approved: *G. R. James*

 Member, Executive Committee.