

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, July 22, 1931, at 10:15 a. m.

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

Mr. Drinnen, the Board's Examiner in Charge, was also present and discussed with the members of the Board the condition of the National Bank of the Republic, the Central Trust Company and the Chicago Trust Company, all of Chicago, Illinois, as disclosed by reports of the last examinations of these banks, the assets of which are to be consolidated on Saturday, July 25th, under a new charter and under the title the "Central Republic Bank and Trust Company" of Chicago, as well as the approximate condition of the consolidated bank, application on behalf of which for membership in the Federal Reserve System is being filed by the Central Trust Company of Chicago. No action was taken pending receipt of the formal application for membership which is to be received from the Federal Reserve Agent at Chicago some time during the day, accompanied by more definite information regarding eliminations in connection with the consolidation, etc.

Upon motion, it was voted, however, to authorize the Executive Committee to act for and on behalf of the Board, should a quorum of the Board not be present when the application comes up for action.

Mr. Drinnen then left the meeting.

The Assistant Secretary then presented a telegram received by Mr. James yesterday from the Chairman of the Federal Reserve Bank of St. Louis, advising of the death on July 21st of Mr. E. L. Swearingen, one of the Board's appointees to the directorate of the Louisville Branch.

Noted with regret.

7/22/31

-2-

At this point Mr. J. G. McConkey, General Counsel and Secretary of the Federal Reserve Bank of St. Louis, and Mr. Wyatt, the Board's General Counsel, joined the meeting.

The Governor referred to the action of the Board following its meeting on July 15th with Mr. John S. Wood, Federal Reserve Agent at St. Louis, in voting to invite Mr. McConkey to appear before it, as suggested by him, for the purpose of acquainting the Board with his views as to why it would be detrimental to the interests of the Federal Reserve Bank of St. Louis for the Federal Reserve Board at this time to take definite action removing Mr. W. P. Kincheloe as Managing Director of the Louisville Branch, or instituting proceedings for that purpose. Mr. McConkey explained that his request was made for the reason that the Directors of the Federal Reserve Bank of St. Louis in considering the question of Mr. Kincheloe's continued connection with the Branch depended to a large extent upon his recommendations based upon an investigation which he had made in Louisville, on behalf of the Directors.

After a statement by Mr. McConkey regarding his investigations in Louisville, he was questioned by the members of the Board regarding his opinion that the termination of Mr. Kincheloe's services at this time would be detrimental to the interests of the St. Louis Bank and also regarding the action and attitude of the Board of Directors of the St. Louis Bank.

A detailed report of Mr. McConkey's discussion with the Board will be found in the records.

REPORTS OF STANDING COMMITTEES:

Dated, July 20th Recommending changes in stock at Federal Reserve Banks,
22nd as set forth in the Auxiliary Minute Book of this date.
Recommendations approved.

7/22/31

-2-

The meeting adjourned at 1:10 p.m.

E. W. Woodcock

Assistant Secretary.

Approved:

Augustus S. King
Governor.

AUXILIARY MINUTES
(July 22, 1931)

Reports of Standing Committee dated July 20th and 22nd, 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>		
Bay Parkway National Bank of Brooklyn in New York, N. Y. (V.L.Abs. by Lafayette National Bank)	180	
First National Bank, Macedon, N. Y. (Insolvent)	<u>18</u>	198
<u>District No. 5.</u>		
Boston National Bank, South Boston, Va. (Insolvent)	150	150
<u>District No. 7.</u>		
Manufacturers National Bank & Trust Co., Rockford, Ill. (Insolvent)	420	
First National Bank, Angola, Ind. (V.L.Abs. by Steuben County State Bank)	90	
First National Bank, Dearborn, Mich. (Insolvent)	108	
First National Bank, Morrisonville, Ill. (Insolvent)	36	
Farmers State Bank, Vicksburg, Mich. (Cons. of First State Bank with above)	<u>11</u>	665
<u>District No. 8.</u>		
First National Bank, Chillicothe, Mo. (Insolvent)	90	90
<u>District No. 12.</u>		
First National Bank, Willits, Calif. (V.L.Abs. by Bank of Willits)	36	36
	<u>Total</u>	<u>1,139</u>

C. W. Willits

Assistant Secretary.

Approved:

E. W. ...
Governor.