

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Governor on Monday, September 21, 1931, at 11:30 a.m.

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

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

Letter dated September 17th from the Secretary of the Federal Reserve Bank of New York and telegrams dated September 16th from the Chairmen of the Federal Reserve Banks of Philadelphia and St. Louis and September 17th from the Chairmen of the Federal Reserve Banks of Kansas City and San Francisco, all 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.

Telegram dated September 18th from Assistant Deputy Governor Sproul of the Federal Reserve Bank of New York, advising that on the basis of a 20% repayment, the Federal Reserve banks' participations in the two central bank credits to the Hungarian National Bank were renewed on that day for a period of three months.

Noted.

Letter dated September 11th from Assistant Deputy Governor Sproul of the Federal Reserve Bank of New York, submitting copy of the agreement covering the Federal Reserve banks' participation of \$25,000,000 in the outstanding central bank credit to the Reichsbank, and copies of communications embodying the terms and conditions covering the \$10,000,000 sight deposit made with the Bank for International Settlements; the letter also advising that the so-called second Austrian credit was never consummated due to the failure of the con-

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dition precedent that there be placed abroad 150,000,000 shillings of Austrian Treasury Bonds.

The letter and enclosure, having been previously circulated among the members of the Board were noted.

Two renewal bonds, each in the amount of \$50,000, executed under date of September 14, 1931, by Mr. William W. Hoxton as Federal Reserve Agent at the Federal Reserve Bank of Richmond.

Approved.

Memorandum dated September 17th from the Assistant Chief of the Division of Bank Operations submitting statements showing expenditures of Federal Reserve banks for educational and welfare work, etc., during the month of August and for the eight-months' period ending August 31, 1931.

Ordered circulated.

Report of Committee on Salaries and Expenditures on letter dated September 14th from Deputy Governor Helm of the Federal Reserve Bank of Kansas City submitting for the approval of the Federal Reserve Board certain changes in the personnel classification plan at the bank; the Board's Committee recommending approval.

Approved.

Draft of letter to Mr. Drinnen, the Board's Examiner in Charge, advising that Mr. Hamlin has reported to the Board a conference which he held on September 21st with the Governor and Chairman of the Federal Reserve Bank of Boston, the Chief National Bank Examiner and Mr. Drinnen and that the Board has no objection to the suggested postponement of the proposed examination of the Atlantic Corporation of Boston until November, when it can be made simultaneously with the regular examination of the Atlantic National Bank of Boston by the Comptroller of the Currency.



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Upon motion, the proposed letter  
was approved.

Letter dated September 16th from the Federal Reserve Agent at St. Louis advising that the action of the Board, as set out in its letter of August 19th, with regard to the holding by the Lafayette-South Side Bank and Trust Company of St. Louis, Missouri, of the stock of the South Side National Bank has been communicated in writing to the President of the Lafayette-South Side Bank and Trust Company, and that the Board's letter of August 19th had been read by Mr. Lonsdale, President of the Mercantile-Commerce Bank and Trust Company, who stated that he had no comments to make with regard to the action of the Board in connection with the holding by the Mercantile-Commerce Bank and Trust Company of the stock of the Mercantile-Commerce National Bank; the Federal Reserve Agent also stating that while he is of the opinion that Mr. Lonsdale would not be disposed to deny notice of the contents of the Board's letter, he will, if deemed advisable by the Board, advise the Mercantile-Commerce Bank and Trust Company in writing of the Board's action. In this connection the Assistant Secretary presented draft of a proposed reply to the Federal Reserve Agent's letter, stating that the Federal Reserve Board believes it desirable, even though perhaps not necessary, to advise the President of the Mercantile-Commerce Bank and Trust Company in writing regarding the action taken by the Board.

Upon motion, the proposed reply  
was approved.

The Assistant Secretary then presented for the record the recommendations to the Federal Reserve Board made by the Federal Advisory Council at its meeting on September 15th, (1) that with certain suggested changes, the Council is in sympathy with the recommendations made by the Comptroller of the

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Currency in his annual report for 1930 that the Federal laws relating to banking be amended, (2) suggesting that the Federal Reserve Board consider the advisability of permitting Federal Reserve banks, in times of pressure, to accept from member banks bills payable on securities not now eligible, (3) commending the policy adopted by the Comptroller of the Currency with regard to depreciation in bond accounts of national banks, and (4) that the Council is in accord with the action of the Federal Reserve banks in lending assistance to European central banks in the recent emergency, and suggests that the Board explore the possibility of giving all possible support to the stabilization of the credit situation in the United States in the interest of American business generally, including agriculture, industry and commerce.

Noted and action deferred.

Telegram dated September 16th from the Governor of the Federal Reserve Bank of San Francisco, who is Chairman of the Governors Conference, stating that Monday, October 19th would be an agreeable date to him and the Federal Reserve Agent at San Francisco for the opening of the fall conferences of Governors and Federal Reserve Agents.

After some discussion, upon motion, it was voted to tentatively fix Monday, October 19th, as the date for the opening of the Fall Conferences of Governors and Federal Reserve Agents with the joint conference of Governors and Agents to begin on Wednesday, October 21st.

REPORTS OF STANDING COMMITTEES:

Dated, September 21st Recommending approval of the application of Mr. Benjamin S. Weathers, for permission to serve at the same time as director and officer of the Florida National Bank of Jacksonville, Fla.; as director and officer of the Florida National Bank and Trust Company at Miami, Fla., and as director of the Florida National Bank at Bartow, Fla.

Approved.



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REPORTS OF STANDING COMMITTEES: (Cont'd)

- Dated, September 21st Recommending approval of the application of Mr. F. C. Schwalbe, for permission to serve at the same time as officer of the Florida National Bank of Jacksonville, Fla., as director and officer of the Florida National Bank at St. Petersburg, Fla., and as director of the Florida National Bank and Trust Company at Miami, Fla.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. Geo. J. Avent, for permission to serve at the same time as director and officer of the Florida National Bank of Jacksonville, Fla., as director of the Florida National Bank at St. Petersburg, Fla., and as director of the Florida National Bank and Trust Company at Miami, Fla.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. W. A. Redding, for permission to serve at the same time as director and officer of the Florida National Bank of Jacksonville, Fla., and as director of the Florida National Bank and Trust Company at Miami, Fla.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. J. T. Dillon, for permission to serve at the same time as director of the First National Bank of Warren, Penna., as director of the Marine Trust Company of Buffalo, N. Y., and as director of the Titusville Trust Company, Titusville, Penna.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. Robert J. Kleberg, for permission to serve at the same time as director of the National Bank of Commerce of San Antonio, Texas, and as director and officer of the Corpus Christi National Bank of Corpus Christi, Texas.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. E. G. Kattermann, for permission to serve at the same time as director of the First National Bank in Rockaway, N. J., and as director and officer of the Dover Trust Company of Dover, N. J.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. Frank D. Abell, for permission to serve at the same time as director of the First National Bank in Rockaway, N. J., and as director and officer of the First National Bank of Morristown, N. J.  
Approved.
- Dated, September 21st Recommending approval of the application of Mr. William Otto, for permission to serve at the same time as director of the First National Bank in Rockaway, N. J., and as director and officer of the National Union Bank of Dover, N. J.  
Approved.

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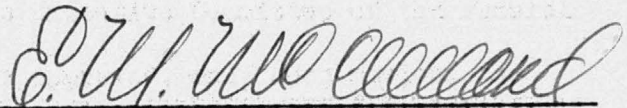
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REPORTS OF STANDING COMMITTEES: (Cont'd)

Dated, September 21st Recommending approval of the application of Mr. Murray H. Coggeshall, for permission to serve at the same time as director of the First National Bank in Rockaway, N.J., and as director of the Morristown Trust Company of Morristown, N. J.

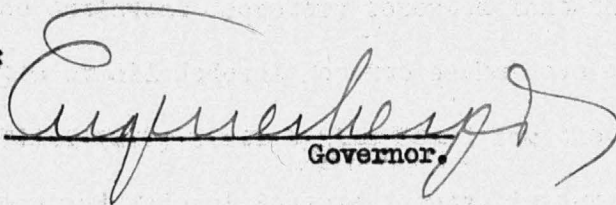
Approved.

The meeting adjourned at 12:00 noon.



Assistant Secretary.

Approved:



Governor.