

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, October 20, 1931, at 11:30 a. m.

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

ALSO PRESENT: Mr. Harrison, Assistant to the Governor.

The Governor reported briefly, for the information of the members present, recent developments in the domestic and foreign banking situations which came to his attention while he was in New York City over the weekend.

The minutes of the meetings of the Federal Reserve Board held on October 12 and 13 were approved.

The following matters of business were then considered and acted upon by the Board:

Letter dated October 17 from the Chairman of the Federal Reserve Bank of Dallas, advising of the establishment at the bank on October 16 of the schedule of buying rates on bankers' acceptances made effective at the Federal Reserve Bank of New York on that date.

Without objection, noted with approval.

Report of Executive Committee on letters dated October 1 and 3 from the Federal Reserve Agent at Richmond, transmitting, with the favorable recommendation of his executive committee, the voluntary notice of intention to withdraw from membership in the Federal Reserve System filed under date of September 29 by the Union Bank and Federal Trust Company, Richmond, Virginia, with a request that it be permitted to withdraw from membership immediately; the bank having transferred all of its assets, with the exception of stock in a subsidiary corporation, to the Bank of Commerce and Trusts of Richmond, but

10/20/31

-2-

desiring to retain its charter temporarily for the purpose of liquidating its trust business.

Upon recommendation of the Board's committee, it was voted to waive the requirement of six months' notice and to permit the member bank to withdraw from membership immediately.

Report of Executive Committee on letter dated October 13 from the Acting Comptroller of the Currency, recommending, with the concurrence of the Federal Reserve Agent at San Francisco and the Chief National Bank Examiner, approval of the application of the First National Bank, Oakland, California, for permission to reduce its capital stock from \$1,000,000 to \$500,000; it being the understanding that of the amount of the reduction, together with \$6,000 from the surplus account of the bank, \$115,053.82 will be used to charge off losses, \$361,978.75 will provide capital and undivided profits for a separate company to which will be transferred other criticized assets amounting to \$409,271.94, and \$28,967.43 will be credited to undivided profits.

Upon recommendation of the Board's committee, it was voted to approve the proposed reduction in accordance with the plan submitted.

The Governor then reported that he had been requested by the Chairman of the Senate Committee on Manufactures to appear before a subcommittee thereof on October 29 at a hearing in connection with a bill to establish a National Economic Council, and that the Director of the Division of Research and Statistics had been requested to appear before the subcommittee for that purpose on October 22.

The Governor also presented a telegram dated October 19 from the Governor of the Federal Reserve Bank of San Francisco, suggesting that the Board give consideration to the advisability of altering its position with



AUXILIARY MINUTES  
(October 20, 1931.)

Reports of Standing Committee dated October 20, recommending changes in stock at Federal Reserve banks, approved as follows:

<u>Application for ADDITIONAL Stock:</u>	<u>Shares</u>	
<u>District No. 11.</u>		
First National Bank, Houston, Texas.	360	360
 <u>Applications for SURRENDER of Stock:</u>		
<u>District No. 6.</u>		
Leeds-American National Bank, Leeds, Ala. (Decrease in capital and increase in surplus)	12	
Tennessee National Bank, Johnson City, Tenn. (V.L.Abs. by Unaka and City National Bank of Johnson City)	<u>150</u>	162
 <u>District No. 7.</u>		
First National Bank, Bode, Iowa. (Insolvent)	19	19
 <u>District No. 8.</u>		
First National Bank, Cowgill, Mo. (V.L.Suc. by First National Bank in Cowgill)	<u>42</u>	<u>42</u>
	<u>Total</u>	<u>223</u>

Report of Standing Committee dated October 15, recommending action on an application for admission to membership by the following state institution, subject to the conditions stated in the report attached to the application:

<u>APPROVED:</u>	<u>Name</u>	<u>Shares</u>	<u>F. R. Bank</u>
	Commercial Bank, Delphos, Ohio.	105	Cleveland

Chas. M. Moulton  
Secretary.

Approved:

Ernest S. Mendenhall  
Governor.