The Federal Reserve Board met in executive session in the
office of Governor Black on Thursday, November 9, 1933, at 4:00 p.m.

PRESENT: Mr. Black, Governor
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Thomas
Mr. Szymczak

After the executive session, the Board requested its Secretary,
Mr. Morrill, to record the following as the minutes of the meeting:

"Governor Black stated that in his opinion no moral
turpitude was involved in the transaction of Mr. Stevens
which has been under consideration by Board members today
and that with this idea in view he felt that the only
question for consideration was the question of Mr. Stevens' qualifications for the position with the Chicago bank;
that on this question he felt that Mr. Stevens was not
the outstanding man that that position requires and that
when an appointment of such a man could be made it should
be made in the interest of the bank, but that the question
of a successor to Mr. Stevens should be considered with
every regard for the condition of Mr. Stevens and the
proprieties involved in connection with the Board's action
relative to him.

"Mr. Szymczak stated that he had been with the Board
only a few months and had been appointed Chairman of the
Chicago Committee only a few weeks, and, therefore, had
not had an opportunity to consider fully the qualifications
of Mr. Stevens, but was aware of the fact that there was
now a vacancy in the position of Governor at the Chicago
bank, with no indication of how soon the Board of that
bank would fill the vacancy, and also was aware of the
fact that Mr. Stevens' qualifications were considered by
the Board when he was appointed three years ago, two years
ago, and one year ago, at which time there was a Governor
in the Chicago bank, and at which time a change might have
been effected with less disturbance.

"From information received from other Board members,
as well as the staff, in addition to information obtained
by direct contact with the officers of the banks, however,
he thought that there were several officers in the System
who did not qualify fully and meet the standards of the
"System, and perhaps were less qualified than Mr. Stevens himself; that for the good of the System, the appointments made by the Board should increase the number of fully qualified Chairmen, and that he was of the opinion that this should be done in the Chicago district, as well as the other districts.

"He, therefore, suggested that for the purpose of further investigation of the qualifications of officers of the Federal Reserve Banks appointed by the Federal Reserve Board, whose terms do not begin until January 1st, all appointments be reconsidered by the Board.

"This motion of Mr. Szymczak was put to an informal vote and was lost.

"Mr. Szymczak then moved that Mr. Stevens be appointed a class C director of the Chicago bank for a three year term with the designation of Mr. Stevens as Chairman and Federal Reserve Agent for a one year term.

"Dr. Miller stated that he desired to amend this motion by adding to Mr. Szymczak's motion the words 'that the appointment be made with the understanding that he act as director and Chairman only until a successor to Mr. Stevens might be appointed and qualified'.

"This amended motion was lost.

"Governor Black then offered as a substitute for the motion of Mr. Szymczak that Mr. Stevens be appointed for three years as director and be designated for one year as Chairman with the explicit understanding with Mr. Stevens that at the end of the one year he would retire as class C director at the suggestion of the Board.

"This substitute motion was carried."

Approved:

[Signature]

Governor.