

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, November 2, 1936, at 3:00 p.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Szymczak  
Mr. Davis

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman  
Mr. Thurston, Special Assistant to the  
Chairman  
Mr. Wyatt, General Counsel  
Mr. Wingfield, Assistant General Counsel  
Mr. Dreibelbis, Assistant General Counsel

There was presented a memorandum addressed to Mr. Wyatt by Mr. William Prentiss, Jr., Deputy Comptroller of the Currency, under date of October 31, 1936, in which he stated that he had discussed with the Comptroller of the Currency, who was in Los Angeles, over the telephone the request of the Board that the Comptroller or his attorneys present, at the hearing set for November 5, 1936, evidence in support of the charges certified to the Board by the Comptroller against Mr. H. S. Johnson, President of the Point Pleasant National Bank, Point Pleasant, West Virginia, and that the Comptroller of the Currency had instructed that the Board be advised that he considers that his duty is performed under section 30 of the Banking Act of 1933 when he certifies the facts in a particular case to the Board in accordance with the requirements of the statute and that the procedure from that point forward must lie with the Board.

Chairman Eccles stated that this meeting had been called to consider what, if any, action should be taken by the Board in view of the

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Comptroller's position. He said it appeared that the courses open to the Board were to postpone the hearing until after the return of the Comptroller of the Currency to Washington in order that the Board might have an opportunity to discuss the matter with him further and ascertain definitely whether he will adhere to the position set forth in Mr. Prentiss' memorandum, or to proceed with the hearing on the date set and have the Board's counsel conduct the proceeding. The matter was discussed and the opinion expressed that in view of the fact that this was the first hearing under section 30 of the Banking Act of 1933 and was therefore of the utmost importance because of the precedents which would be established by the proceeding, it would be advisable to postpone the hearing until after the return of the Comptroller of the Currency and an opportunity is afforded to discuss the matter further with him.

Having ascertained that the Comptroller of the Currency was expected to return to Washington on November 4, the Board voted unanimously to postpone the hearing until 11:00 a.m. on November 10, 1936, and counsel was requested to advise the office of the Comptroller of the Currency immediately and to prepare the necessary advices of the postponement to the Comptroller of the Currency and to Mr. Johnson and the directors of the national bank for transmission by the Secretary today.

It was understood that Mr. Wyatt would advise Mr. Prentiss that Mr. Ransom would like to have an opportunity to discuss with the Comptroller of the Currency as soon as possible following his return the question of participation by the Comptroller in hearings under section 30 of the Banking Act of 1933 with a view to determining prior to November 10, 1936, whether the Comptroller will adhere to the position referred to above.

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Thereupon the meeting adjourned.

Orestes Morie  
Secretary.

Approved:

W. Stouder  
Chairman.