

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.00 a. m., Thursday, August 5,

PRESENT:

Mr. Hamlin, presiding,      Mr. Harding

Mr. Williams                      Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of July 30th were read and approved.

The Secretary presented memoranda prepared by counsel with reference to the question of granting trustee and executor powers in New Jersey and Pennsylvania, the questions involved growing out of the transfer of certain New Jersey banks to District No. 2 and out of conflict of opinion between the Philadelphia and Cleveland banks relative to the right to exercise trustee and executor functions in Pennsylvania.

On motion it was voted that all applications for such powers already approved by the Board on their merits and made by banks in western Pennsylvania be approved and transmitted; that in the case of all applications of banks in eastern Pennsylvania, a communication to be prepared by counsel, be transmitted to the

Federal Reserve Bank of Philadelphia advising that bank that the Board is disposed to grant the powers applied for by the member banks in question, and requesting any expression of opinion that the Federal Reserve Bank of Philadelphia may be disposed to submit with reference to the merits of the particular banks in question; that with respect to the New Jersey banks transferred to District No. 2 the Federal Reserve Bank of New York be advised that the Board would like an opinion from its counsel at as early a date as possible with reference to exercising of the powers referred to by the New Jersey banks, as well as an expression of opinion from the Board of Directors of the Federal Reserve Bank of New York respecting the merits of the member banks whose applications are thus under consideration.

The Secretary having presented the papers relating to the transfer of the First National Bank of Nara Visa, New Mexico, from District No. 10 to District No. 11 they were approved and ordered transmitted.

The Governor of the Board presented a draft of a letter addressed to the Old Colony Trust Company



with reference to the conditions under which the Board proposes to exercise the power of passing upon applications for the establishment of branches by member State banks. The letter was approved and ordered transmitted.

A letter from Mr. Arthur R. Marsh regarding the cotton letter recently issued by the Board was called to the attention of the Board by the Governor and was referred to Mr. Harding for such action as may be thought best.

// The Governor presented a letter he had addressed to counsel with reference to the question of acceptance credit recently presented by Governor Strong of the Federal Reserve Bank of New York and also an opinion of counsel relative to the same subject. General discussion ensued and it was voted that the Governor prepare a draft of a letter to Mr. Strong in accordance with the opinion of counsel, such draft to be sent to the Secretary of the Treasury McAdoo and Mr. Warburg for consideration by them, prior to further consideration or action.

// The Secretary of the Board read a proposed letter to the German-American Chamber of Commerce of //

New York which had recently submitted certain inquiries regarding the question of war loans by Federal reserve banks. After consideration it was voted merely to inform the Chamber of Commerce that no such regulations as are referred to in this letter have been issued by the Board, transmitting at the same time a copy of the recent letter to Mr. H. R. Fowler. //

The Secretary of the Board presented discount applications from the several Federal reserve banks and on motion the latter were approved as follows:

Boston	4%	60 to 90 days		
Dallas	3 $\frac{1}{2}$ %	to 60 - 4%	60 to 90 days,	trade acc.
San Francisco	3%	to 60 - 3 $\frac{1}{2}$ %	to 90 days.	" "

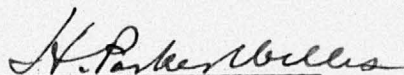
The Secretary of the Board presented papers relating to the proposed settlement of accounts between the Philadelphia and New York banks the questions involved being those growing out of the recent transfers of banks from District No. 3 to District No. 2. After consideration the plan proposed by the two banks was approved and the Secretary directed to so inform them.

The Secretary of the Board notified the Board of the actual admission of the Broadway Trust Company of New York into the Federal reserve system.


The Secretary of the Board presented a telegram received from Governor J. B. McDougal informing the Board of a meeting of Governors, to consider the collection question, in New York on August 10th.

A letter from Federal Reserve Agent Curtiss relating to the rate at which stock refunds to member banks withdrawing or reducing their holdings might be made, was referred to counsel for an opinion.

On motion at 1.40 p. m. the Board adjourned to meet Friday, August 6 at 11.00 a. m.

  
Secretary.

APPROVED:

  
Chairman.

(Meeting of the Executive Committee on August 6, 1915.)