

At a special meeting of the Federal Reserve Board held in the office of the Board at 11 A. M. on Friday, October 20, 1916.

PRESENT:

Governor Harding, presiding, Mr. Miller,
Mr. Hamlin, Mr. Delano,
Mr. Warburg, Mr. Willis, Secretary.

The minutes of the meeting of the Board of Thursday, October 19, were read and approved.

The minutes of the meeting of the Committee dealing with applications under the Clayton Act on October 19, were read and approved, and the action therein set forth, ratified. Mr. Hamlin presented certain additional cases acted upon by the Committee, and the same were on motion approved and ordered made a part of the minutes of the Committee.

The question of the proper interpretation and application of the commodity rate at San Francisco, was brought up by the Secretary, and it was agreed that the Governor take the matter up and advise the Federal Reserve Bank of San Francisco of the Board's view that the rate is limited to maturities of 90 days or under.

The application of the Victoria National Bank for fiduciary powers, was discussed and on motion granted; a special letter as to the condition and policy of the bank to be written to Federal Reserve Agent Ramsey by the Governor.

A letter from Governor Fancher of Cleveland outlining a plan for dealing with the city of Toledo in the matter of certain overdue warrants, was read and discussed. No dissent was expressed and it was agreed that the Governor write the Federal Reserve Bank of Cleveland as to the Board's ideas on the matter.

A letter from the Merchants Loan & Trust Company of Chicago regarding the question of joining the Federal Reserve system, was read and it was agreed that the Governor acknowledge it, the letter to be referred to the Committee on Operation of the Chicago Bank to ascertain the facts referred to.

Mr. Miller gave notice of his intended absence from October 23 to October 25 to deliver an address. It was voted that the Board pay the expenses of his trip.

Executive business being disposed of, a hearing was given to Mr. Robert Garrett of Baltimore, who was accompanied by Mr. F. R. Rieman. Mr. Garrett sought to show that in a

proper view of the term "private banker" he would be exempt from the application of the Board's regulation or definition. After being questioned Mr. Garrett withdrew.

Messrs. N. W. Harris, President of the Harris Trust Company, J. R. Washburn, Vice President of the Continental & Commercial National Bank, and Brown, Attorney for the First National Bank and the First Trust Company, all of Chicago, appeared before the Board and presented argument to show that there was no substantial competition between the Continental & Commercial National Bank and the Harris Trust Company. All three were questioned by the Board.

Messrs Harris; Washburn and Brown having withdrawn, no executive business was resumed.

On motion of Mr. Hamlin, the application of Mr. B. A. Eckhart in whose behalf Messrs Harris, Washburn and Brown had appeared, was granted, authorizing him to retain his directorships in the Continental & Commercial National Bank and the Harris Trust Company.

On motion the former decision of the Board regarding the application of Mr. A. C. Bartlett to serve as director

of the First National Bank and the Northern Trust Company, was reaffirmed.

On motion at 1:10 P. M. the Board adjourned.

H. Parker Willis
Secretary.

APPROVED:

[Signature]
Chairman.