

**NELSON ALDRICH**

**Monetary ~~Commercial~~**

**MISCELLANY**

LIST OF GENTLEMEN PRESENT AT CONFERENCE  
HELD AT THE MARLBOROUGH-BLENHEIM HOTEL, ATLANTIC  
CITY, NEW JERSEY, FEBRUARY 10-12, 1911.

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Hon. E. B. Vresland, Vice-Chairman National Monetary Commission.

Dr. A. P. Andrew, Assistant Secretary of the Treasury.

Mr. H. P. Davison, of New York City.

Mr. Luther Drake, Merchants National Bank, Omaha, Neb.

Mr. James B. Forgan, First National Bank, Chicago, Ill.

Mr. A. Barton Hepburn, Chase Natl. Bank, New York City.

Mr. Clifford Hubbell, Buffalo, New York.

Mr. C. H. Huttig, Third National Bank, St. Louis, Mo.

Mr. Stoddard Jess, First National Bank, Los Angeles, Cal.

Judge J. W. Lusk, National German-American Bank, St. Paul, Minnesota.

Mr. Joseph A. McCord, Third Natl. Bank, Atlanta, Ga.

Mr. C. Stewart Patterson, Philadelphia, Penna.

Mr. F. M. Prince, First Natl. Bank, Minneapolis, Minn.

Mr. William Porter, of New York City.

Mr. George M. Reynolds, Continental and Commercial National Bank, Chicago, Ill.

Mr. W. S. Rowe, First National Bank, Cincinnati, O.

Mr. J. T. Scott, First National Bank, Houston, Texas.

Mr. Francis B. Sears, National Shawmut Bank, Boston, Mass.

Mr. Benjamin Strong, Jr., Vice-Prest. Bankers Trust Co., New York City.

Mr. E. F. Swinney, First National Bank, Kansas City, Missouri.

Mr. F. A. Vanderlip, President National City Bank, New York City.

Mr. Festus J. Wade, Mercantile National Bank, St. Louis, Mo.

Mr. Paul M. Warburg, New York City.

Mr. F. O. Watts, First National Bank, Nashville, Tenn.

Mr. S. Wexler, Whitney-Central National Bank, New Orleans, La.

Mr. D. G. Wing, First National Bank, Boston, Mass.

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~~RESERVE ASSOCIATION OF AMERICA.~~

THE NATIONAL RESERVE ASSOCIATION  
OF THE UNITED STATES.

CHARTER AND LOCATION.

It is proposed to charter the Reserve Association of America, which will be the principal fiscal agent of the Government of the United States. The authorized capital of the Reserve Association shall be approximately \$300,000,000. The length of its charter shall be 50 years. The head office of the association shall be in Washington, D. C.

The country shall be divided into 15 districts, and a branch of the Reserve Association shall be located in each district.

The Reserve Association and its branches shall be exempt from State and local taxation, except in respect to taxes upon real estate owned by it.

CAPITAL.

Only national banks of the classes hereinafter provided for may subscribe to the capital stock of the Reserve Association. A national bank having a minimum capital of at least \$25,000 may subscribe to an amount of capital stock of the Reserve Association equal to 20 per cent of the stock of the subscribing national bank, and not less, and each of such subscribing banks shall become a member of a local association as hereinafter provided for. Fifty per cent of the subscriptions to the capital stock of the Reserve Association shall be called in cash; the balance of the subscriptions will remain a liability of the stockholders, subject to call.

Shares of the capital stock of the Reserve Association will not be transferable, and under no circumstances may they be owned by any corporation other than the subscribing national bank, nor by any individual, nor may they be owned by any national bank in any other amount than in the proportion here provided. In the case of a national bank increasing its capital after it once becomes a subscriber to the stock of the Reserve Association, the national bank shall thereupon subscribe for an additional amount of the capital stock of the Reserve Association equal to 20 per cent of the national

bank's increase of capital, paying therefor its then book value, but only one-half of this additional subscription will be called in cash, as hereinbefore provided. In the event of a national bank which is a holder of the capital stock of the Reserve Association decreasing its capital, it shall surrender a proportionate amount of its holdings of the capital stock of the Reserve Association; or if a national bank goes into liquidation, it shall surrender all of its holdings of the capital stock of the Reserve Association. The capital of the Reserve Association so surrendered shall be canceled, and the national bank thus surrendering stock in the Reserve Association shall receive in payment therefor a sum equal to the then book value, as shown on the balance sheet of the Reserve Association, of the stock so surrendered.

## EARNINGS AND DIVIDENDS.

The earnings of the Reserve Association shall be distributed in the following manner:

After the payment of all expenses and taxes the stockholders shall receive 4 per cent. Further earnings shall be divided, one-half to go to the surplus of the Reserve Association until that surplus shall amount to 20 per cent of the paid-in capital; one-fourth to go to the Government of the United States, and one-fourth to the stockholders; but when the stockholders' dividends shall reach 5 per cent they shall receive no additional distribution. After the stockholders receive 5 per cent the earnings shall be divided, one-half to be added to the surplus of the Reserve Association and one-half to go to the Government. After the stockholders receive 5 per cent per annum and the surplus of the Reserve Association amounts to 20 per cent of the paid-in capital, ~~all excess earnings shall go to the Government,~~

shall receive two-thirds of the net annual earnings, and one-third thereof shall be added to the surplus of the Reserve Association.

The minimum dividends to the stockholders shall be cumulative.

## LOCAL ASSOCIATIONS OF NATIONAL BANKS.

All subscribing banks shall be formed into associations of national banks, to be designated as local associations. Every local association shall be composed of not less than 10 banks, and the combined capital and surplus of the members of each local association shall aggregate not less than \$5,000,000.

All the local associations shall be grouped into 15 divisions, to be called districts. The territory included in the local associations shall be so apportioned that every national bank will be located within the boundaries of some local association. Every subscribing national bank shall become a member of the local association of the territory in which it is situated.

## DIRECTORS OF LOCAL ASSOCIATIONS.

Each local association shall elect annually a board of directors in the following manner:

The number of the directors may be determined by the by-laws of the local associations. Three-fifths of that number shall be elected by ballot cast by the representatives of the banks that are members of the local association, each bank having one representative, and each representative one vote, without reference to the size of the bank. Two-fifths of the whole number of directors of the local association shall be elected by these same representatives of the several banks that are members of the association, but in voting for these additional directors each representative shall be entitled to as many votes as the bank which he represents holds shares in the Reserve Association. At such elections there shall be no proxies. The authorized representatives of a bank, as herein provided, must be either the president, vice president, or cashier of the bank he represents.

The directors of the local association shall annually elect from among their number a president, a vice-president, and an executive committee, whose powers and duties and terms of office shall be determined by the by-laws of the local association, subject, however, to the provisions of this Act.

## DIRECTORS OF BRANCHES.

As heretofore provided, all the local associations shall be grouped into 15 divisions, and each of these divisions shall be designated a district. There shall be located in each district a branch of the Reserve Association. Each of the 15 branches of the Reserve Association shall have a board of directors, and those directors shall be elected in the following manner:

The board of directors of each local association shall elect by ballot one member of the board of directors of the branch of the Reserve Association. In this manner there will thus be elected as many directors of the branch of the Reserve Association as there may be local associations in the district in which that branch of the Reserve Association is located. In addition to that number there shall be elected a number of the directors equal to two-thirds of the number of local associations in the district where the branch is located. Such additional directors shall be elected in the following manner:

There shall be chosen by the banks composing each local association a voting representative or proxy holder. In choosing such voting representative each bank shall be entitled to as many votes as it holds shares in the Reserve Association. The voting representatives of the several local associations which form a district shall then meet at the office of the branch and elect an additional number of directors of the branch equal to two-thirds of the number elected directly by the local associations; that is, equal to two-thirds of the number of local associations composing the district. Each voting representative at such election shall have a number of votes equal to the number of shares

in the Reserve Association held by all the banks composing the local association which he represents.

The first business of the board of the branch as thus constituted shall be to add to its numbers by the election of an additional number of directors equal to one-third the number of local associations situated in the district. Such additional directors shall fairly represent the industrial, commercial, agricultural, and other interests of the district and shall not be officers of banks. Directors of banks shall not be considered as officers.

The manager of the branch shall be ex officio a member of the board of directors of the branch and shall be chairman of the board.

The board of directors of a branch of the Reserve Association will thus be composed of—

First. A group of directors equal in number to the number of local associations composing the district, and this group shall be elected by the directors of the local association, each director having one vote.

Second. A group of directors equal to two-thirds of the foregoing group and elected by stock representation.

Third. A group of directors equal in number to one-third of the first group, representing the industrial, commercial, agricultural, and other interests of the district, and elected by the votes of the first two groups, each director thus voting having one vote.

Fourth. The manager of the branch shall be ex officio a member of the board of directors of the branch and shall be chairman of the board.

All the members of the board of directors of the branch, except the ex officio member, shall, at the first meeting of the board, be classified into three classes, and the terms of office of these three classes shall be, respectively, one, two, and three years. Thereafter members of the board shall be elected for a term of three years.

#### DIRECTORS OF THE RESERVE ASSOCIATION.

The board of the Reserve Association shall consist of 45 directors, and it shall be composed in the following manner:

First. Six ex officio members, namely, the governor of the Reserve Association, who shall be chairman of the board; two deputy governors of the Reserve Association, the Secretary of the Treasury, the Secretary of Commerce and Labor, and the Comptroller of the Currency.

Second. Fifteen directors to be elected, one by the board of directors of each branch of the Reserve Association. They shall be elected by ballot, each member of the branch board having one vote.

Third. Twelve directors, who shall be elected by voting representatives, one representing the banks embraced in each district. Each voting representative shall cast a number of votes equal to the number of shares in the Reserve Association held by all the banks in the district which he represents.

Fourth. The board as thus constituted shall select 12 additional members, who shall fairly represent the industrial, commercial, agricultural, and other interests of the country, and who shall not be officers of banks. Directors of banks shall not be considered as officers.

At the first meeting of the board all the members of the board, except the ex officio members, shall be classified into three classes, and the terms of office of these three classes shall be, respectively, one, two, and three years. Thereafter members of the board shall be elected for a term of three years.

No member of any national or State legislative body shall be a director of the Reserve Association, nor of any of the branches, nor of any local association.

The directors of the Reserve Association shall annually elect an executive committee and such other committees as the by-laws of the Reserve Association may provide. The executive committee shall consist of nine members, of which the governor of the Reserve Association shall be ex officio chairman and the two deputies and the Comptroller of the Currency ex officio members.

The executive committee shall have all the authority which is vested in the board of directors, except such as may be specifically delegated by the board to other committees or to the executive officers.

There shall be a board of supervision elected by the board of directors from among its number, of which the Secretary of the Treasury shall be ex officio chairman.

#### EXECUTIVE OFFICERS OF THE RESERVE ASSOCIATION.

The executive officers of the Reserve Association shall consist of a governor, two deputy governors, a secretary, and such subordinate officers as may be provided by the by-laws. The governor and deputy governors shall be selected by the President of the United States from a list submitted by the board of directors. The governor shall be subject to removal by the President of the United States for cause. The term of office of the deputies shall be seven years, but the two deputies first appointed shall be for terms of four years and seven years, respectively.

In the absence of the governor or his inability to act, the deputy who is senior in point of service shall act as governor.

## EXECUTIVE OFFICERS OF BRANCHES.

Each branch shall have a manager and a deputy manager. They shall be appointed by the governor of the Reserve Association, with the approval of the executive committee.

The powers and duties of the manager and deputy manager and of the various committees of the branches shall be prescribed by the by-laws of the Reserve Association.

## FUNCTIONS OF THE LOCAL ASSOCIATIONS.

Any member of a local association may apply to that local association for a guaranty of the commercial paper which it desires to rediscount at the branch of the Reserve Association in its district. Any such bank receiving a guaranty from a local association shall pay a commission to the local association, to be fixed ~~from time to time~~ by the board of directors of that local association. The guaranty of the members of the local association, in the event of loss, shall be met by the members of the local association in the proportion to the ratio which their capital and surplus bears to the aggregate capital and surplus of the local association, and the commission received for such guaranty, after the payment of losses and expenses, shall be distributed among the several banks of the local association in the same proportion. A local association shall have authority to require additional security from any bank offering paper for guaranty, or may decline to grant the application.

The total amount of guaranties by a local association to the Reserve Association shall not at any time exceed the aggregate capital and surplus of the banks forming the guaranteeing association.

## FUNCTIONS OF THE RESERVE ASSOCIATION.

All of the privileges and advantages of the Reserve Association shall be equitably extended to every national bank of any of the classes herein defined who shall subscribe to its proportion of the stock of the Reserve Association and shall otherwise conform to the requirements of this act.

The Government of the United States and those national banks owning stock in the Reserve Association shall be the sole depositors in the Reserve Association. All domestic transactions of the Reserve Association shall be confined to the Government and the subscribing banks, with the exception of the purchase or sale of Government or State securities or securities of foreign governments or of gold coin or bullion.

The Government of the United States shall deposit its cash balance with the Reserve Association and thereafter all receipts of the Government shall be deposited with the Reserve Association or (when



necessary) with such national banks as the Government may designate for that purpose in cities where there is no branch of the Reserve Association. All disbursements by the Government shall be made through the Reserve Association.

The Reserve Association shall pay no interest on deposits.

The Reserve Association may rediscount notes and bills of exchange ~~arising out of commercial transactions~~, for and with the indorsement of any bank having a deposit with it,

such notes as ~~it~~ it may have discounted for its customers, rediscounted for other banks, or purchased through commercial <sup>paper</sup> brokers, the proceeds of which have been used for commercial, industrial, or agricultural purposes, and not for carrying stocks, bonds, or other investment securities.

Such notes and bills must have a maturity of not more than 28 days, and must have been made at least 30 days prior to the date of rediscount. The amount so rediscounted shall in no case exceed the capital of the bank applying for the rediscount. The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, corporation, or firm, rediscounted for any one bank, shall at no time exceed 10 per cent of the capital and surplus of said bank.

The Reserve Association may also rediscount for any depositing bank notes and bills of exchange, ~~arising out of commercial transactions~~, having more than 28 days, but not exceeding four months, to run, but in such cases the paper must be guaranteed by the local association of which the bank asking for the rediscount is a member.

Whenever, in the opinion of the governor of the Reserve Association, the public interests so require, such opinion to be concurred in by the executive committee of the Reserve Association and to have the definite approval of the Secretary of the Treasury, the Reserve Association may discount the direct obligation of a depositing bank, indorsed by its local association, provided that the indorsement of the local association shall be fully secured by the pledge and deposit with it of satisfactory securities, which shall be held by the local association for account of the Reserve Association; but in no such case shall the amount loaned by the Reserve Association exceed ~~two-thirds~~ <sup>three-fourths</sup> of the actual value of the securities so pledged.

The rate of discount of the Reserve Association, which shall be uniform throughout the United States, shall be fixed from time to time by the executive committee and duly published.

The Reserve Association may, whenever its own condition and the general financial conditions warrant such investment, purchase to a limited amount from a depositing bank acceptances of banks or houses of unquestioned financial responsibility. Such acceptances must arise from commercial transactions and have a maturity not exceeding 90 days, and must be of a character generally known in the market as prime bills. Such acceptances shall also bear the indorsement of the depositing bank selling the same, which indorsement must be other than that of the acceptor.

The Reserve Association may invest in United States bonds and in short-term obligations—that is, obligations having not more than

*similar*

*three-fourths*

one year to run—of the United States, or of any State, or of certain foreign governments to be named in the act.

The Reserve Association shall have power at home and abroad to deal in gold coin or bullion, to grant loans thereon, and to contract for loans of gold coin or bullion, giving, when necessary, acceptable security for their repayment.

The Reserve Association shall have power to purchase from its depositors and to sell, with or without its indorsement, checks ~~or~~ *and* bills of exchange payable in England, France, or Germany, and in such other foreign countries as the board of the Reserve Association may decide. ~~These~~ Bills of exchange must arise from commercial transactions and be of a maturity not exceeding 90 days, and shall bear the signatures of at least three responsible parties, of which the last one shall be that of a depositing bank.

The Reserve Association shall have power to open and maintain banking accounts in foreign countries and to establish agencies in foreign countries, for the purpose of purchasing and selling and collecting foreign bills of exchange, and it shall have authority to buy and sell, through such agencies, prime foreign bills of exchange arising from commercial transactions, running for a period not exceeding 90 days, and bearing the signatures of ~~two or more~~ *at least three* responsible parties.

DOMESTIC EXCHANGES.

It shall be the duty of the Reserve Association or any of its branches, upon request, to transfer any part of the deposit balance of any national bank having an account with it to the credit of any other bank having an account with the Reserve Association. If a deposit balance is transferred from the books of one branch of the Reserve Association to the books of another branch, it may be done by mail or telegraph upon terms to be fixed from time to time by the executive committee.

FUNCTIONS OF NATIONAL BANKS.

In addition to the rights now conferred by law, national banks shall be authorized to accept commercial paper drawn upon them, having not more than 90 days to run, ~~properly secured~~, and arising out of commercial transactions. The amount of such acceptances shall not exceed one-half the capital and surplus of the accepting bank.

and shall be subject to the restrictions of Section 5200 of the Revised Statutes.

~~National banks shall not have authority to establish branches except in the city or town in which they are located.~~

The organization of banks to conduct business in foreign countries shall be authorized. The stock of such banks may be held by national banks,

but the aggregate of bank stock <sup>by any one bank</sup> so held shall not exceed twenty per-cent of <sup>to</sup> ~~their~~ capital.

The bank so organized may have an office in the United

*no change  
restrict original  
language*

*not to be binding*

**receive deposits in the United States** 13  
~~SUGGESTED PLAN FOR MONETARY LEGISLATION~~

States, but shall not compete with national banks for domestic business not necessarily related to the business being done in foreign countries. *and in the colonies, dependencies and protectorates*

There shall be established ~~a new~~ *another* class of national banks, to be known by a specifically designated name. Such banks may have savings departments and may make properly secured loans on real estate; such loans to be restricted to a certain proportion of the aggregate time and savings deposits in the bank. The reserve requirement in such banks will be less against savings and time deposits than against demand deposits. *of the U.S.*

Another class of national banks shall be authorized, which shall be in effect national trust companies, to be designated by some appropriate name and to exercise all the functions and have all the privileges, including length of charter, which are given to trust companies by the laws of the various States. These national institutions shall be subject, like other national banks, to inspection and examination by the National Government.

These two paragraphs are referred to the National Monetary Commission, with the recommendation that they work out a practical method to nationalize savings banks and trust companies.

There shall be no change in the percentage of reserve required by law to be held against demand deposits by national banks, except as otherwise provided herein, but the deposit balance of any national bank in the Reserve Association

and the notes of the Reserve Association

shall be counted as a part of its legal reserve.

REPORTS TO THE COMPTROLLER.

The Reserve Association shall make a report, showing the principal items of its balance sheet, to the Comptroller of the Currency once a week. These reports shall be made public. In addition, full reports shall be made to the Comptroller of the Currency coincident with the five reports called for each year from the national banks.

All reports of national-bank examiners in regard to the condition of national banks shall hereafter be made in duplicate, and one copy shall be filed with the Reserve Association for the confidential use of its executive officers, and branch managers.

National banks of all classes shall hereafter make a weekly report to the Comptroller of the Currency showing the principal items of their balance sheets, such reports to be available for the use of the executive officers of the Reserve Association.

NOTE ISSUES.

There is hereafter to be no further issue, beyond the amount now outstanding, of bank notes by national banks. National banks may, if they choose, maintain their present note issue, but whenever a bank retires the whole or any part of its existing issue it will permanently surrender its right to reissue the notes so retired.

The Reserve Association must, for a period of one year, offer to purchase at ~~(a price not less than par and accrued interest)~~

two and one-half per-cent premium and accrued interest

the 2 per cent bonds now held by national banks and deposited to secure their circulating notes.

and United States Government deposits.

*Equivalent*

The Reserve Association shall take over these bonds with the ~~existing~~ currency privilege attached and assume responsibility for the redemption (upon presentation) of outstanding notes secured thereby. The Reserve Association shall issue, on the terms herein provided, its own notes as fast as the outstanding notes secured by such bonds so held shall be presented for redemption, it being the policy of the United States to retire as rapidly as possible, consistent with the public interests, bond-secured circulation and to substitute therefor notes of the Reserve Association of a character and secured and redeemed in the manner provided for in this act.

Inasmuch as the Government will receive all profits of the Central Reserve Association over and above the limited dividends provided for, it is only just that the notes issued to replace the existing national bank notes should be free of all tax.

The Reserve Association agrees to hold, for a period of not less than 10 years, the bonds so purchased, or any Government security which may be exchanged for them by refunding or otherwise. The Reserve Association, however, shall have the right, with the approval of the Secretary of the Treasury, after two years to dispose annually of \$50,000,000 of the bonds held by it to secure circulation. The Government reserves the right at all times to purchase at par from the Reserve Association, through the trustees of the postal savings bank or otherwise, any or all of such bonds so held.

If the Government should adopt the policy of issuing securities at a higher rate of interest than 2 per cent, the Reserve Association shall have the right to exchange at par the Government bonds which it may have acquired from the national banks, previously held by them to secure circulation, for any bonds bearing interest at a rate not exceeding 3 per cent, but in that event the amount of annual taxes to be paid on notes based upon such new securities shall be as much greater as the interest rate of the new securities shall exceed 2 per cent.

To illustrate: If the Government should decide hereafter to issue a 2½ per cent bond, the rate of taxation on currency issued by the Reserve Association thereon would be 1 per cent, instead of one-half of 1 per cent, as on the existing twos, and upon a 3 per cent bond the rate of taxation would be 1½ per cent.

~~In addition to the authority to issue notes to replace any national bank notes outstanding at the time of the organization of the Reserve Association, it shall have the right to issue additional circulating notes as follows: The whole or any part of the first \$100,000,000 of such additional notes shall pay to the Government an annual tax of 3 per cent; above \$100,000,000 and not more than \$200,000,000 may be issued at an annual tax of 4 per cent; above \$200,000,000 and not~~

tion

to

~~more than \$300,000,000 may be issued at an annual tax of 5 per cent;  
all above \$300,000,000 shall pay an annual tax of 6 per cent.~~

In addition to the authority to issue notes to replace any national bank notes outstanding at the time of the organization of the Reserve Association, it shall have the right to issue additional circulating notes. We believe these notes should not be subject to tax. There are no considerations, either of income to the Government or penalty upon management, that should lead to the imposition of such a tax. If, in spite of this fact, there are considerations that would lead the Commission to impose a tax, we believe the plan suggested for a tax is incorrect. It would tend to prevent a natural and wholesome conversion of legal money now in circulation into reserve in the hands of the Association in exchange for its notes. If a tax should be imposed, we believe that its imposition in the first instance, and its graduated increase, should be based on the Association's proportion of reserve to total deposits and note liabilities; that the tax should only begin when that reserve fell to a certain point, and should increase inversely as the reserve decreased.

The ~~Manhattan~~ Reserve Association shall have authority to issue, (without restriction as to the relative proportions of the different denominations) notes of the denominations of \$5, \$10, \$20, \$50, and \$100, to take the place of the notes of similar denominations previously issued by the national banks, and shall be also authorized to issue notes of the denominations of \$500, \$1,000, \$5,000, and \$10,000, for the convenience of the banks in their daily settlements with each other.

All note issues of the Reserve Association must be covered to the extent of at least one-third by gold or other lawful money, and the remaining portion by bonds of the United States or bankable commercial paper as herein defined, or both. (It should be provided either that the Reserve Association may also hold in its reserve foreign coin, or that the Treasury will issue gold certificates against foreign coin.) The notes are to constitute a first lien upon all the assets of the Reserve Association, and adequate provision must be made for their immediate redemption in lawful money on presentation at the head office of the Reserve Association or any of its branches.

The notes of the Reserve Association shall be received at par in payment of all taxes, excises, and other dues to the United States, and for all salaries and other debts and demands owing by the United States to individuals, corporations, or associations, except obligations of the Government which are by their terms specifically payable in gold, and for all debts due from or by one national bank to another, and for all obligations due to a national bank.

The Reserve Association shall at once, upon application and without charge for transportation, forward its circulating notes to any depositing bank against its credit balance.



LIST OF ENGAGEMENTS OF SENATOR  
ALDRICH.

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CHICAGO, SATURDAY, NOVEMBER 6th:

- (1) Informal reception, Hamilton Club (George W. Dixon, President), 12 noon.
- (2) Luncheon, Chicago Clearing House Committee (James B. Forgan, Chairman; John J. Mitchell, Ernest A. Hamill, Orson Smith, and George M. Reynolds) at Chicago Club, 1 o'clock p. m.
- (3) Dinner, The Commercial Club of Chicago, Congress Hotel, 7 o'clock p. m.

ST. LOUIS, MONDAY, NOVEMBER 8th:

- luncheon at St. Louis Club 1 o'clock*  
*Huttig 300 North*
- (1) Dinner, The Commercial Club (Hanford Crawford, President), 7 p. m. *at St. Louis Club*

KANSAS CITY, TUESDAY, NOVEMBER 9th:

- (1) Luncheon with F. P. Neal, 1 p. m.
- (2) Dinner, Kansas City Clearing House Association, (F. P. Neal, President), 7 p. m. ?

OMAHA, WEDNESDAY, NOVEMBER 10th:

- Huttig Drake luncheon 1 p. m.*
- (1) Dinner, The Commercial Club of Omaha (Edgar Allen, Chairman Executive Committee), 7 p. m.

MINNEAPOLIS, FRIDAY, NOVEMBER 12th:

- E.W. Drake luncheon 1 o'clock*
- (1) Dinner, Minneapolis Clearing House Association (F. M. Prince, President), 7 p. m. *Minn. Club*

ST. PAUL, SATURDAY, NOVEMBER 13th:

- W.S. Carlson luncheon*
- (1) Dinner, Clearing House Association of St. Paul, 7 p. m.

ENGAGEMENTS -- page 2.

CHICAGO, SUNDAY, NOVEMBER 14th:

- (1) Luncheon at Lake Forest, Owentsia Club, \_\_\_ p. m.

MILWAUKEE, MONDAY, NOVEMBER 15th:

- (1) Dinner, Merchants' & Manufacturers' Association (William George Bruce, Secretary), 6 <sup>26</sup> <sub>30</sub> p. m.

*S. J. Pettit's  
residence  
luncheon 1 o'clock*

DETROIT, TUESDAY, NOVEMBER 16th:

- (1) Luncheon, Detroit Board of Commerce (Edward A. Sumner, President), 1 p. m.  
(2) Dinner, Detroit Bankers' Club, 7 p. m.

NEW YORK CITY, THURSDAY, NOVEMBER 18th:

- (1) Dinner, Chamber of Commerce of the State of New York, Waldorf-Astoria, 6:30 p. m.

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That the members of the National Monetary Commission, or the survivors of them, who were appointed on the thirtieth day of May, nineteen hundred and eight, under the provisions of section seventeen of the Act entitled "An Act to amend the national banking laws," approved May thirtieth, nineteen hundred and eight, shall continue to constitute the National Monetary Commission until the final report of said Commission shall be made to Congress; and said National Monetary Commission are authorized to pay to such of its members as are not at the time in the public service ~~and~~ <sup>and</sup> receiving a salary from the Government, a salary equal to that to which said members would be entitled if they were members of the Senate or House of Representatives. All acts or parts of acts inconsistent with this provision are hereby repealed.

- 1 Aldrich
- 2 Reynolds
- 3 Norton
- 4 Andrew
- 5 Allen
- 6 Dawson
- 7 Badlang
- 8 Shelton

W.L. Hathaway

DPH

Rock Island

Aldrich &  
Norton

a

*or the survivors of them*

That the members of the National Monetary Commission, <sup>which</sup> ~~was created by~~ <sup>*under the provision of*</sup> section seventeen of the Act entitled "An act to amend the national banking laws", approved May thirtieth, nineteen hundred and eight, ~~and~~ who were appointed on the thirtieth day of May, nineteen hundred and eight, ~~or the survivors of them,~~ shall continue to constitute the National Monetary Commission until the final report of said Commission shall be made to Congress; and said National Monetary Commission are authorized to pay to such of its members as are not at <sup>*the*</sup> any time in the public service or receiving a salary from the Government, ~~such compensation as the Commission, in its judgment, may determine, not exceeding, however, the compensation~~ <sup>*a salary equal to that*</sup> to which said members would be entitled if they were members of the Senate or House of Representatives. All acts or parts of acts inconsistent with this provision are hereby repealed.

That the members of the National Monetary Commission which was created by section ~~seventeen~~ of the Act entitled "An act to amend the national banking laws", approved May thirtieth, nineteen hundred and eight, and who were appointed on the thirtieth day of May, nineteen hundred and eight, or the survivors of them, shall continue to constitute the National Monetary Commission until the final report of said Commission shall be made to Congress; and said National Monetary Commission are authorized to pay to such of its members as are not at ~~any~~ <sup>the</sup> time in the public service or receiving a salary from the Government, ~~such compensation as the Commission, in its judgment, may determine, not exceeding, however, the compensation to which said members would be entitled if they were members of the Senate or House of Representatives.~~ <sup>after ~~the~~ salary ~~to~~</sup> ~~the amount~~ <sup>equal to that</sup> ~~to which said members would be entitled if they were members of the Senate or House of Representatives.~~ All acts or parts of acts inconsistent with this provision are hereby repealed.

NATIONAL MONETARY COMMISSION,  
WASHINGTON, D. C.

Monday Jan 8/11  
5:00 P. M.

Present Aldrich, Breeland, Burrows, Hall  
Money, Burton, Peurose, Weeks,  
Boninger, Padgett, Burgess + Prince.

Mr Breeland offered the following resolution  
which was unanimously adopted

Mr Breeland moved that 500 copies  
of the Report be printed at once  
a Dept.

York City,  
go,  
mis,

6<sup>th</sup> in #  
part  
Ronaldson

162 caps

Number and Capital of State Banks and Trust Co

Appendix A 2

[Compiled from reports made to the Comptroller of the Cu

30  
STATE BANKS) 59 caps center  
including State Savings banks) - 6 ft  
Population 3000 and less) 5 cent

1. Banks of and above \$25,000 capital  
2. Less than \$25,000  
Population over 3000 to 6000) 5 cent

1. Banks of and above \$50,000 capital  
2. Less than \$50,000  
Population over 6000 to 50,000) 5 cent

1. Banks of and above \$100,000 capital  
2. Less than \$100,000  
Population over 50,000) 5 cent

1. Banks of and above \$200,000 capital  
2. Less than \$200,000

1. Total State Banks conforming to National Bank standards as regards capital  
2. Total State Banks not so conforming

TRUST COMPANIES) 159 caps

Population 3000 and less) 5 cent

1. Banks of and above \$25,000 capital  
2. Less than \$25,000

Population over 3000 to 6000) 5 cent

1. Banks of and above \$50,000  
2. Less than \$50,000

Population over 6000 to 50,000) 5 cent

1. Banks of and above \$100,000 capital  
2. Less than \$100,000

1. Banks of and above \$200,000 capital  
2. Less than \$200,000

1. Total Trust Companies conforming to National Bank standards as regards capital  
2. Total Trust Companies not so conforming

	New England States		Eastern States		Southern States		Middle Western States	
	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital
	4	\$	4	\$	4	\$	4	\$
1. Banks of and above \$25,000 capital	5	229,500	130	477,852.5	1235	443,243.42	1727	560,899.68
2. Less than \$25,000			35	454,549	1966	260,713.26	2,199	29,450,517
Population over 3000 to 6000								
1. Banks of and above \$50,000 capital	5	280,000	31	237,850	210	132,058	190	119,790
2. Less than \$50,000	1	25,000	13	345,000	206	537,496.2	179	385,695
Population over 6000 to 50,000								
1. Banks of and above \$100,000 capital	4	650,000	46	587,571	161	226,499.9	188	268,580
2. Less than \$100,000	4	229,700	49	247,250	294	174,634.56	321	136,477.5
Population over 50,000								
1. Banks of and above \$200,000 capital	5	1,840,000	70	3,262,043	43	1,710,975	79	2,864,167.5
2. Less than \$200,000	4	450,000	83	6,727,771	135	896,700.2	179	82,355.30
1. Total State Banks conforming to National Bank standards as regards capital	19	2,999,500	277	45,654,739	1,649	97,334,891	2,184	122,735,343
2. Total State Banks not so conforming	9	704,700	180	9,999,520	2,601	52,826,746	2,711	550,157,722
//								
TRUST COMPANIES) 159 caps								
Population 3000 and less) 5 cent								
1. Banks of and above \$25,000 capital	34	1,635,000	39	3,623,100	25	1,371,250	21	983,500
2. Less than \$25,000			4	64,100	4	50,000		
Population over 3000 to 6000								
1. Banks of and above \$50,000	13	750,000	46	6,223,150	25	2,166,450	22	1,466,600
2. Less than \$50,000	7	150,000	1	35,000	8	190,000	9	755,000
Population over 6000 to 50,000								
1. Banks of and above \$100,000 capital	27	3,817,509	155	28,674,420	48	10,016,800	62	8,900,000
2. Less than \$100,000	25	1,245,000	4	38,311	25	1,336,000	65	3,180,550
Population over 50,000								
1. Banks of and above \$200,000 capital	48	2,866,610	184	16,492,624	27	1,667,180	40	7,907,600
2. Less than \$200,000	16	1,563,057	61	7,599,367	18	1,550,000	34	3,494,000
1. Total Trust Companies conforming to National Bank standards as regards capital	122	34,868,609	424	203,446,910	125	30,226,300	195	90,359,500
2. Total Trust Companies not so conforming	43	4,580,571	70	7,776,778	58	3,176,000	112	6,295,500

Appendix A 2164 caps in June 1911,  
 Banks and Trust Companies classified according to population of localities.  
 [The Comptroller of the Currency and from Bankers' Directories.]

States	Middle Western States		Western States		Pacific States		Island Possessions		Total United States	
	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital	No. of Banks	Amount of Capital
	4	8	4	8	4	8	4	8	4	8
		\$		\$		\$		\$		\$
	24342	1727	56089968	589	18620150	412	16640581	.....	4106	140683066
	21326	2199	29450517	2625	29509165	252	3150365	.....	7077	88615922
	105800	190	11197900	43	2677000	79	9424700	.....	558	39163900
	74962	129	3856950	88	2049800	68	1763800	.....	505	13245512
	94999	188	26805800	28	3125000	76	14243710	4	507	74718937
	63456	321	13642275	147	5356000	79	3517145	4	898	37795956
	09750	79	28641675	4	1000000	62	29800244	5	268	115011812
	17002	129	8725530	36	1637500	60	3714961	4	451	30110214
	34891	2184	122735343	664	25422150	629	70109235	9	5439	369579715
	26746	2778	554065272	2896	38552465	459	12176271	8	8931	169967604
	71250	21	983500	13	375400	10	1104060	.....	142	9092310
	50000	.....	.....	2	30000	.....	.....	.....	10	144100
	66450	22	1466600	5	400000	3	430000	.....	114	11369600
	210000	9	755000	2	55000	1	75000	.....	23	600000
	16800	62	8900000	14	1952986	3	800000	.....	309	54161715
	36000	65	3180550	16	769500	7	325000	.....	142	6944361
	71800	90	79076000	8	1900000	15	9650000	.....	372	300890140
	30000	34	5494000	5	525000	4	450000	.....	143	45181824
	26300	195	90359500	40	4628386	31	11984060	.....	937	375513765
	6000	113	629550	23	1379500	12	800000	.....	318	22870285

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 See Mr. West  
 Return to  
 A. P. Anderson  
 Treasury

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in June 1911

APPENDIX A.

NUMBER AND CAPITAL OF STATE BANKS AND TRUST COMPANIES CLASSIFIED ACCORDING TO POPULATION OF LOCALITY.  
 [Compiled from reports made to the Controller of the Currency and from Bankers' Directories.]

	New England States.		Eastern States.		Southern States.		Middle States.		Western States.		Pacific States.	
	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.
<b>STATE BANKS.</b>												
(Including stock savings banks.)												
POPULATION 3,000 AND LESS.												
1. Banks of and above \$25,000	6	\$250,500	170	\$6,567,090	1,183	\$42,289,395	1,829	\$60,476,050	495	\$14,618,000	399	\$15,622,461
2. Less than \$25,000	1	6,000	49	596,880	1,964	24,624,718	2,389	30,358,583	1,691	20,257,865	256	3,218,869
POPULATION OVER 3,000 TO 6,000.												
1. Banks of and above \$50,000			33	2,618,500	182	11,046,300	168	10,936,000	32	2,783,000	63	7,716,600
2. Less than \$50,000	2	60,644	11	285,000	182	4,731,545	137	5,972,000	63	1,686,350	65	1,748,800
POPULATION OVER 6,000 TO 50,000.												
Banks of and above \$100,000	5	1,580,909	40	4,163,100	105	14,080,800	183	24,146,225	11	1,310,000	72	12,309,410
Less than \$100,000	4	171,400	38	1,941,700	218	9,380,042	279	11,907,900	99	3,132,000	67	2,960,800
POPULATION OVER 50,000.												
1. Banks of and above \$200,000	8	5,490,000	78	48,865,300	19	5,569,250	54	45,591,821			49	39,403,666
2. Less than \$200,000	4	420,000	69	5,776,125	94	5,901,127	121	8,882,650	38	1,560,000	54	3,541,011
1. Total State banks conforming to national bank standards as regards capital	19	7,325,409	321	62,213,990	1,489	72,985,745	2,234	121,150,096	538	17,771,000	583	75,052,137
2. Total State banks not so conforming	11	658,044	167	8,599,705	2,458	44,637,432	2,943	56,222,235	1,900	26,642,215	442	11,469,578
<b>TRUST COMPANIES.</b>												
POPULATION 3,000 AND LESS.												
1. Banks of and above \$25,000	30	1,580,000	32	3,563,600	71	4,574,550	28	1,497,500	17	485,000	22	916,760
2. Less than \$25,000			4	85,419	70	985,240	6	80,000	24	346,200	6	95,600
POPULATION OVER 3,000 TO 6,000.												
1. Banks of and above \$50,000	15	920,000	49	6,370,625	69	5,047,450	35	2,439,600	8	600,000	5	1,400,000
2. Less than \$50,000	4	100,000	4	100,000	41	922,430	14	420,000	12	271,800	5	125,000
POPULATION OVER 6,000 TO 50,000.												
1. Banks of and above \$100,000	25	3,375,000	153	29,009,625	107	20,792,019	108	19,652,700	18	3,225,000	18	4,083,300
2. Less than \$100,000	27	1,280,400	3	120,000	100	4,222,785	87	3,926,000	31	1,213,890	22	1,058,100
POPULATION OVER 50,000.												
1. Banks of and above \$200,000	48	27,716,100	205	183,698,394	63	33,454,300	117	75,697,833	11	4,450,000	38	20,060,380
2. Less than \$200,000	18	1,740,057	112	12,655,826	99	7,550,982	59	4,596,600	29	1,956,500	27	2,239,055
1. Total trust companies conforming to national bank standards as regard capital	118	33,591,100	439	222,642,244	310	63,865,119	288	99,287,633	54	8,757,000	83	26,060,440
2. Total trust companies not so conforming	49	3,120,457	123	12,961,245	310	13,683,437	166	9,022,600	96	3,788,390	60	3,517,755

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Bear Stearns  
 Wright



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APPENDIX A.

in June 1911

2164

21617-12

CAPITAL OF STATE BANKS AND TRUST COMPANIES CLASSIFIED ACCORDING TO POPULATION OF LOCALITIES.

2162

[Compiled from reports made to the Comptroller of the Currency or from Bankers' Directories]

New England States.		Eastern States.		Southern States.		Middle States.		Western States.		Pacific States.		Island possessions.		Total United States.	
Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.	Number of banks.	Amount of capital.
6	\$250,500	170	\$6,567,090	1,183	\$42,289,395	1,829	\$60,476,050	495	\$14,618,000	399	\$15,622,461			4,082	\$139,827,496
1	6,000	49	596,880	1,964	24,644,718	2,389	30,358,583	1,691	20,257,865	256	3,218,869			6,350	70,062,915
		33	2,618,506	182	11,046,300	168	10,936,000	32	2,783,000	63	7,716,600			478	34,100,400
2	60,644	11	285,000	182	4,731,545	151	5,973,000	61	1,686,350	65	1,748,800			473	14,485,339
5	1,580,909	40	4,163,100	105	14,080,800	183	24,146,825	11	1,310,000	72	12,309,410	3	\$1,342,500	419	58,932,944
4	171,400	38	1,941,700	218	9,380,042	279	11,807,900	99	3,132,000	67	2,960,800			696	28,593,940
8	5,490,000	78	48,865,300	19	5,569,250	54	45,591,821			49	39,403,666	1	500,000	209	145,420,037
4	420,000	69	5,776,125	94	5,901,127	123	8,882,650	38	1,266,000	54	3,541,011			402	26,086,913
19	7,325,400	321	62,213,990	1,489	72,985,745	2,234	141,110,006	538	17,711,000	583	75,052,137	4	1,842,500	5,188	378,280,877
11	658,044	167	8,599,705	2,458	44,637,432	2,943	56,227,335	1,900	26,642,215	442	11,469,578			7,921	148,229,107
30	1,580,000	32	3,563,600	71	4,574,550	28	1,497,500	17	483,000	22	916,760			200	12,614,410
		4	85,419	70	985,240	6	80,000	24	346,200	6	95,600			110	1,599,459
15	920,000	49	6,370,625	69	5,041,450	35	2,439,600	8	600,000	5	1,000,000			181	16,371,675
4	100,000	4	100,000	41	922,430	14	420,000	12	271,800	5	125,000			80	1,939,430
25	3,375,000	153	29,009,625	107	20,795,019	108	19,652,700	18	3,225,000	18	4,083,300	3	1,000,000	432	81,140,644
27	1,280,400	3	120,000	100	4,222,785	87	3,926,000	31	1,213,890	22	1,058,100	1	57,500	271	11,878,675
48	27,716,100	205	183,698,394	63	33,454,300	117	75,697,833	11	4,450,000	38	20,060,380			482	345,077,007
18	1,740,057	112	12,655,826	99	7,550,982	59	4,596,600	29	1,956,500	27	2,239,055			344	30,739,020
118	33,591,100	439	222,642,244	310	63,869,319	288	99,287,633	54	8,757,000	83	26,060,440	3	1,000,000	1,295	455,203,736
49	3,120,457	123	12,961,245	310	13,681,437	166	9,022,600	96	3,788,390	10	3,517,755	1	57,500	805	46,149,384

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APPENDIX

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Number and Capital of National Banks, State Banks and Trust Companies  
for each State. (Compiled from reports of condition obtained by the  
National Banks. State Banks.

No.	State, (STATES, ETC.)	Population.	Number of Banks.	Capital.	Number of Banks	Capital.	Number
		10	(June 7, 1913)	\$ 10	5	10	
1	Maine,	742,371	70	7,850,000	5	...	...
2	New Hampshire,	430,572	56	5,235,000	17	...	...
3	Vermont,	355,956	51	5,210,000	...	...	...
4	Massachusetts,	3,366,416	188	53,617,500	...	...	...
5	Rhode Island,	542,610	22	6,700,250	* 2/4	...	475,000
6	Connecticut,	1,114,756	79	19,914,200	* 2/7	...	2,190,000
TOTAL NEW ENGLAND STATES,		6,552,681	466	98,526,950	28	...	3,704,200
7	New York,	9,113,614	458	171,367,370	* 2/198	...	32,728,000
8	New Jersey,	2,537,167	196	21,987,000	23	...	2,298,500
9	Pennsylvania,	7,665,111	830	118,288,270	* 2/139	...	14,897,381
10	Delaware,	202,322	28	23,739,85	* 2/4	...	520,000
11	Maryland,	1,295,346	107	17,582,410	* 2/86	...	3,596,488
12	District of Columbia,	331,069	11	610,2000	* 2/15	...	1,613,890
TOTAL EASTERN STATES,		21,144,629	1,630	337,701,035	465	...	55,654,259
13	Virginia,	2,061,612	128	16,618,500	* 2/240	...	8,775,470
14	West Virginia,	1,221,119	106	9,187,000	181	...	10,572,673
15	North Carolina,	2,206,287	74	8,385,000	322	...	7,048,867
16	South Carolina,	1,515,400	43	5,410,000	* 2/308	...	12,078,282
17	Georgia,	2,609,121	114	13,841,000	* 2/564	...	22,532,350
18	Florida,	752,619	45	5,893,590	117	...	4,138,900
19	Alabama,	2,138,093	81	9,379,670	210	...	11,029,930
20	Mississippi,	1,794,114	31	3,335,000	342	...	13,469,770
21	Louisiana,	1,656,388	31	8,120,000	* 2/189	...	8,069,600
22	Texas,	3,896,542	511	44,904,000	* 2/595	...	13,813,500
23	Arkansas,	1,574,449	46	4,435,000	* 2/381	...	11,061,912
24	Kentucky,	2,289,905	144	17,405,900	* 2/430	...	12,633,783
25	Tennessee,	2,184,789	100	12,435,000	371	...	14,936,600
TOTAL SOUTHERN STATES,		25,903,438	1,454	159,349,660	4250	...	150,161,637
26	Ohio,	4,767,121	380	62,347,257	* 2/422	...	17,295,438
27	Indiana,	2,700,876	261	27,453,000	312	...	11,571,302
28	Illinois,	5,638,591	438	73,220,000	* 2/500	...	32,071,300
29	Michigan,	2,810,173	100	14,710,000	* 2/405	...	22,949,775
30	Wisconsin,	2,333,860	128	17,080,000	532	...	15,910,150
31	Minnesota,	2,075,408	272	22,671,000	721	...	14,334,000
32	Iowa,	2,224,771	327	21,380,000	977	...	32,485,700
33	Missouri,	3,293,335	129	35,655,000	1093	...	31,132,950
TOTAL MIDDLE STATES,		25,844,435	2,035	274,516,257	4962	...	177,750,615
34	North Dakota,	577,056	148	5,285,000	* 2/555	...	7,411,000
35	South Dakota,	583,888	102	4,205,000	* 2/516	...	6,978,275

Trust Companies on or about June 1, 1911, together with  
 obtained by the Comptroller of Currency and from Bankers' directories.)

162 copies

162/173

Trust Companies. *in June 1911* Total.

Capital.	Number of Companies.	Capital.	Number of Banks.	Capital.
10	5	10	5	10
39200	42	3425000	112	11275000
...	...	...	73	6274200
...	29	1450000	80	6660000
...	53	20783609	241	74401109
75000	11	7943057	37	15118307
90000	30	4125000	116	26229200
04200	165	37726666	659	139957816
28000 *	85	71731000	741	275826370
98500	83	16565000	302	40850500
97381 *	289	104629658	1258	237815309
20000	15	1735030	47	4629015
96488 *	17	8563000	210	29741898
13890 *	5	8000000	31	15715890
54259	494	211223688	2589	604578982
75470	3	1202000	371	26595970
72673 *	5	959000	292	20718673
48867 *	14	2252800	410	17686667
78282	8	360000	359	17848282
32350	6	2450000	684	38823350
88900	2	500000	164	10532490
9930	4	367000	295	20776600
9770	...	...	373	16804770
9600	20	6375000	240	22564600
3500 *	52	7554250	1158	66271750
1912	13	2100000	440	17596912
3783 *	43	8302250	617	38341933
6600	10	930000	481	28301600
1637	180	33352300	5884	342863597
5438 *	68	23573800	870	103216495
1302	110	10816600	683	49840902
1300 *	44	32000000	982	137291300
9775	5	2400000	510	40059775
0150	11	2360000	671	35350150
4000 *	4	2650000	997	39655000
5700 *	14	1900000	1318	55765700
2950 *	52	21589050	1274	88377000
0615	308	97289450	7305	549556322
1000 *	4	350000	707	13046000
8275	11	575000	629	11758275

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 Porter  
 Rowleson

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26	Ohio,	4767121	380	62047207	422	11571302	110
27	Indiana,	2700876	261	27453000	312	11571302	110
28	Illinois,	5638591	438	73220000	* 2500	32071300	* 24
29	Michigan,	2810173	100	14710000	* 2405	22949775	3
30	Wisconsin,	2333860	128	17080000	532	15910150	11
31	Minnesota,	2075408	272	22671000	721	14334000	* 24
32	Iowa,	2224771	327	21380000	977	32485700	* 214
33	Missouri,	3293335	129	35655000	1093	31132950	* 57
TOTAL MIDDLE STATES,		25844435	2035	274516257	4962	177750615	30
34	North Dakota,	577056	148	5285000	* 2555	7411000	* 24
35	South Dakota,	583888	102	4205000	* 516	6978275	11
36	Nebraska,	1192214	245	16062500	678	14053540	
37	Kansas,	1690949	208	11817500	* 2866	16626300	* 24
38	Montana,	376053	58	4875000	290	4060000	* 27
39	Wyoming,	145965	29	1685000	* 251	1267000	* 24
40	Colorado,	799024	126	10515000	* 238	3005750	* 21
41	New Mexico,	327301	42	2095000	* 233	871000	* 11
42	Oklahoma,	1657155	276	12622500	* 2633	9701750	* 23
TOTAL WESTERN STATES,		7349605	1234	69162500	3560	63974615	6
43	Washington,	1141990	80	12200000	* 215	8319000	* 17
44	Oregon,	672765	77	7371000	151	7968100	3
45	California,	2377549	203	51803750	444	53668836	6
46	Idaho,	325594	46	2640000	134	3607264	* 212
47	Utah,	373351	21	2780000	73	4423180	* 2
48	Nevada,	81875	11	1742000	19	1835000	3
49	Arizona,	204354	13	1030000	* 239	1592126	
50	Alaska,	64356	2	100000	13	872000	
TOTAL PACIFIC STATES,		5241834	453	79666750	1088	82285506	43
51	Hawaii,	191909	4	610000	7	2399500	
52	Porto Rico,	1118012	1	100000	* 28	1414987	
53	Philippines,				* 2	2000000	
TOTAL ISLAND POSSESSIONS,		1309921	5	710000	17	3814487	
TOTAL UNITED STATES,		93346543	7277	1,019,633,152	14370	539,345,319	1259

Includes Stock Savings Banks -

Notes - Data for state banks and Trust Companies, not otherwise indicated, from Bankers Directories

From reports compiled by the Comptroller of the Currency, as of June  
From annual report of the Commissioner of Banking, Pennsylvania,  
From

571302	110	10816600	683	49840902
071300 *	14	32000000	982	137291300
949775	5	24000000	510	40059775
910150	11	23600000	671	35350150
334000 *	4	26500000	997	39655000
485700 *	14	19000000	1318	55765700
132950 *	52	21589050	1274	88377000
450615	308	97289450	7305	549556322
411000 *	4	350000	707	13046000
978275	11	575000	629	11758275
053540	...	...	923	30116040
626300 *	4	525000	1078	28968800
060000 *	7	1150000	155	10085000
267000 *	4	100000	84	3052000
005750 *	21	2635400	285	16156150
871000 *	11	462486	86	3428486
701750 *	3	210000	912	22534250
974615	65	6007886	4859	139145001
319000 *	17	3250000	312	23769000
968100	3	500000	231	15839100
668836	6	6700000	653	112172586
607264 *	12	654060	192	6901324
423180 *	2	550000	96	7753180
835000	3	1130000	33	4707000
592126	...	...	52	2622126
872000	...	...	15	972000
285506	43	12784060	1584	174736316
399500	...	...	11	3009500
414987	...	...	9	1514987
000000	...	...	2	2000000
814487	...	...	22	6524487

345319 1255 398384059 22902 1957362521

Currency, as of June 7, 1911.  
 g., Pennsylvania, for 1910.  
 # From municipal records.

AVANT-PROJET DE LEGISLATION MONETAIRE

SOU MIS A LA

COMMISSION MONETAIRE NATIONALE

par

l'honorable NELSON W. ALDRICH

-:-:-:-

Edition revue et corrigée

Octobre 1911.-

-:-:-:-

THE NATIONAL RESERVE ASSOCIATION OF THE  
UNITED STATES.-

-:-:-

CHARTRE ET SIEGE SOCIAL

I.- Il est proposé d'accorder une charte à la "National Réserve association" qui sera le principal agent fiscal du Gouvernement des Etats-Unis. Le capital autorisé de la " National Reserve Association s'élèvera à 20 % du capital des Banques pouvant faire partie de l'association. (Approximativement 300 millions de dollars). La durée de la charte sera de 50 années, le siège central de l'association sera à Washington, D. C.

CAPITAL

2.- Toutes les Banques nationales, les Banques d'Etat et les Trusts Companies qui rempliront les conditions requises pour faire partie de l'association et énoncées ci-après ( § 59 à 63 ), pourront souscrire au capital de la " National Reserve Association. Le mot " Banque " employé ci-après devra être considéré comme s'appliquant à toutes les banques nationales, banques d'état, et trusts companies qui rempliront les conditions requises pour faire partie de l'association ci-après énoncées.

Une banque ayant un capital minimum de 25 millions de dollars pourra souscrire à une part du capital de la " National Reserve Association ", égale à 20 % du capital de la dite Banque, et chacune des banques souscrivant ainsi deviendra membre d'une association locale, comme il est dit plus loin. Cinquante pour cent des souscriptions au capital de la " National Reserve Association " seront appelés en espèces; le solde des souscriptions restera dû par les souscripteurs et susceptible d'être appelé.

III.- Les actions de la " National Reserve Association " ne seront pas cessibles et ne pourront en aucun cas être possédées par une société autre que la Banque souscriptrice, ni par des particuliers; et elles ne pourront pas être possédées par une banque, en quantité autre que la proportion prévue ci-dessus.

Si une banque souscriptrice augmente son capital, elle devra souscrire immédiatement à une part nouvelle du capital de la " National Reserve Association " égale à 20 % de l'augmentation de son capital, en payant ses nouvelles actions à leur valeur d'inventaire, telle qu'elle résultera à ce moment du bilan de l'Association.

Si une banque souscriptrice réduit son capital, elle devra abandonner une partie correspondante de ses actions de la " National Reserve Association "

Si une banque entre en liquidation, elle devra abandonner toutes ses actions de la " National Reserve Association " ; les actions abandonnées seront annulées et la Banque recevra en échange une somme égale à leur valeur d'inventaire.



Une banque sollicitant son admission dans l'Association, après la formation de celle-ci, devra souscrire à une part proportionnelle du capital de l'Association en payant les actions à leur valeur d'inventaire.

#### BENEFICES ET DIVIDENDES

(4) Les bénéfices de la " National Reserve Association " seront distribués de la manière suivante :

Après le paiement de toutes les dépenses et des impôts, les actionnaires recevront 4 %. Le solde des bénéfices sera ainsi réparti :

La moitié sera jointe aux réserves de la " National Reserve Association " jusqu'à ce que les réserves s'élèvent à 20 % du capital versé; un quart sera versé au Gouvernement des Etats-Unis; et un quart aux actionnaires; mais quand le dividende des actionnaires atteindra 5 % ils ne participeront plus aux distributions additionnelles. Après que les actionnaires auront reçu 5 %, les bénéfices seront répartis de telle sorte, qu'une moitié soit ajoutée aux réserves de la " National Reserve Association " et qu'une moitié soit versée au Gouvernement. Après que les actionnaires auront reçu 5 % et que les réserves s'élèvent à 20 % du capital versé; tout l'excédent des bénéfices sera distribué au Gouvernement. Le dividende minimum des actionnaires sera cumulatif.

## ORGANISATION

(5).- Toutes les banques souscriptrices seront réunies en associations de banques qui seront désignées sous le nom d'" associations locales". Chaque association locale aura le caractère et les droits de personne morale. Elle sera composée d'au moins 10 banques et l'ensemble du capital et des réserves des membres de chaque association locale ne devra pas s'élever à moins de 15 millions de dollars.

Le territoire couvert par les associations locales sera divisé de telle sorte que chaque banque soit située dans les limites d'une association locale. Chaque banque souscriptrice deviendra membre de l'association locale du territoire sur lequel elle sera située.

(6).- Toutes les associations locales seront groupées en divisions appelées districts.

Le territoire des Etats-Unis sera divisé au début en 15 districts qui seront déterminés dans le projet de loi préparé par la Commission monétaire Nationale; et une succursale de la " National Reserve Association " sera située dans chaque district, son siège devant être déterminé par les administrateurs de la " National Reserve Association "; le district pourra être modifié de temps en temps; et de nouveaux districts et de nouvelles succursales pourront être créés par les administrateurs.

(7).- La " National Reserve association ", ses succursales et les associations locales seront exemptes d'impôts d'état et d'impôts locaux, exemption faite pour les impôts sur les biens immobiliers.

PERSONNEL ET ADMINISTRATION

(A) Administration des associations locales.-

(8) Chaque association locale élira annuellement un conseil d'administrateurs dont le nombre sera déterminé par les statuts des associations locales.

Les trois-cinquièmes des administrateurs seront élus au scrutin par les représentants des banques faisant partie de l'association locale, Chaque banque ayant un représentant et chaque représentant une voix, indépendamment de l'importance de la Banque. Les Deux cinquièmes des administrateurs de l'association locale seront élus par les mêmes représentants des différentes banques faisant partie de l'association, mais pour l'élection de ces administrateurs chaque représentant aura autant de voix que la Banque qu'il représente, possède d'actions de la " National Reserve Association ". Pour ces élections il ne pourra y avoir de mandataires. Les représentants autorisés d'une banque, comme il est dit plus haut, devront être le Président, le vice-Président, ou le caissier de la Banque.

(B) ADMINISTRATEURS DES SUCCURSALES

(9)- Chacune des succursales de la " National Reserve association " aura un conseil d'administrateurs qui sera élu de la manière suivante :

Le conseil des administrateurs de chaque association locale élira au scrutin un membre du conseil des administrateurs de la succursale de la "National Reserve association ". De cette manière il sera élu autant d'ad-

ministrateurs de la succursale de la " National Reserve association " qu'il y aura d'associations locales dans le district où la succursale de la " National Reserve association " sera située.

(IO) Outre ces administrateurs, il sera élu de la manière suivante un nombre d'administrateurs égal aux deux tiers du nombre des associations locales du district où la succursale sera située.

Les banques composant chaque association locale désigneront un représentant ou fondé de pouvoirs. Pour la désignation de ce représentant chaque banque aura autant de voix qu'elle possèdera d'actions de la " National Reserve Association ".

Les représentants des différentes associations locales qui forment un district éliront un nombre additionnel d'administrateurs de la succursale, égal aux deux tiers du nombre des administrateurs élus directement par les associations locales, c'est-à-dire égal aux deux tiers du nombre des associations locales composant le district.

Chaque représentant aura pour cette élection un nombre de voix égal au nombre d'actions de la " National reserve association " possédées par toutes les banques composant l'association locale qu'il représente.

(II) Le conseil de la succursale, ainsi constitué, complètera immédiatement le nombre de ses membres par l'élection d'administrateurs en nombre égal aux tiers du nombre des associations locales situées dans le district.

Ces administrateurs supplémentaires devront représenter fidèlement les intérêts industriels, commer-

ciaux, agricoles et autres du district et ne devront pas être des fonctionnaires de banques. Les administrateurs de banques ne seront pas considérés comme fonctionnaires.

(12) Le Directeur de la succursale sera d'office membre du conseil des administrateurs de la succursale et sera représentant du conseil.

Le conseil des administrateurs d'une succursale de la " National Reserve Association " sera ainsi composé de :

1°- Un groupe d'administrateurs égal au nombre des associations locales composant le district et ce groupe sera élu par les associations locales, chaque association ayant une voix.

2°- Un groupe d'administrateurs égal aux deux tiers du précédent groupe et élu en tenant compte du nombre d'actions possédées par chaque association locale.

3°- Un groupe d'administrateurs égal au nombre à un tiers du premier groupe, représentant les intérêts industriels, commerciaux et agricoles et autres du district et élu par les deux autres groupes, chaque administrateur votant ayant une voix.

4°- Le directeur sera d'office membre du Conseil des administrateurs de la succursale et sera Président du conseil.

(13) Tous les membres du Conseil de la succursale, excepté les membres d'office, seront, lors de la première séance du conseil, répartis en trois classes, et la durée des fonctions de ces trois classes sera respectivement de une, deux, et trois années.

Par la suite les membres du Conseil seront élus pour une durée de trois ans.

C.- ADMINISTRATEURS DE LA NATIONAL  
RESERVE ASSOCIATION.-

(14).- Le Conseil de la " National Reserve Association " se composera au début de 45 administrateurs et sera constitué de la manière suivante :

Premièrement.- Six membres d'office, savoir :  
Le Gouverneur de la " National Reserve Association " qui sera Président du Conseil, deux Sous-Gouverneurs de la " National Reserve Association ", le Secrétaire du Trésor, le Secrétaire du Commerce et du Travail et le Contrôleur de la Circulation.

(15) Deuxièmement.- Quinze administrateurs qui seront élus, à raison de un, par le Conseil des administrateurs de chaque succursale de la " National Reserve Association ". Si par la suite le nombre de districts a augmenté, chaque district supplémentaire aura droit à élire un administrateur supplémentaire.

(16) Troisièmement.- Douze administrateurs qui seront élus par des représentants de différents districts, Chaque représentant ayant un nombre de voix ~~égal à son nombre d'actions~~ égal au nombre d'actions de la " National Reserve Association " possédées par toutes les banques du district qu'il représentera.

(17) Quatrièmement.- Les vingt-sept administrateurs ainsi élus éliront à leur tour 12 administra-

teurs supplémentaires qui devront représenter fidèlement les intérêts industriels, commerciaux, agricoles et autres du pays, et qui ne devront pas être fonctionnaires de banques.

Les administrateurs de Banques ne seront pas considérés comme fonctionnaires.

(18).- Il ne devra pas être choisi par le même district plus de 3 administrateurs élus conformément aux § 16 et 17.

(19).- Lors de la première séance du Conseil tous les membres de celui-ci, sauf les membres d'office, seront répartis en trois classes, et la durée des fonctions de ces trois classes sera respectivement de un, deux, et trois ans.

Par la suite, les membres du Conseil seront élus pour une durée de trois années.

(20).- Aucun membre des corps législatifs nationaux ou d'Etats ne pourra être administrateur de la " National Reserve Association ", d'aucune de ses succursales ni d'aucune association locale.

D.- COMITÉS DE LA NATIONAL RESERVE  
ASSOCIATION.

Les administrateurs de la " National Reserve Association " éliront annuellement dans leur sein un Comité exécutif, et tels autres Comités que prévoieront les statuts de la " National Reserve Association ". Le Comité exécutif se composera de 9 membres, dont le Gouverneur de

la " National Reserve Association " sera d'office **Pré-**sident et <sup>dont</sup> les deux Sous-Gouverneurs, et le Contrôleur de la circulation <sup>seront</sup> membres d'office; mais il ne pourra pas être choisi dans le même district plus d'un membre élu

( 22 ).- Le Comité exécutif aura les pouvoirs qui sont attribués au Conseil des Administrateurs, à l'exception de ceux qui seront spécialement délégués par le Conseil, ~~aux~~ autres Comités ou aux agents d'exécution ou qui seront spécialement réservés ou retenus par le Conseil.

( 23 ).- Il y aura un Conseil de surveillance élu par le Conseil des Administrateurs dans son sein et dont le Secrétaire du Trésor sera d'office Président.

E.- AGENTS D'EXECUTION DE LA "NATIONAL RESERVE ASSOCIATION".

( 24 ).- Les agents d'exécution de la " National Reserve Association " consisteront en un Gouverneur, deux Sous-Gouverneurs, un Secrétaire et <sup>les</sup> ~~quelques~~ agents subalternes que prévoieront les statuts. Le Gouverneur sera choisi par le Président des Etats-Unis sur une liste qui lui sera soumise par le Conseil des Administrateurs, il pourra être révoqué par une décision motivée du Conseil des Administrateurs prise à la majorité des trois quarts. La durée ~~des~~ fonctions des Sous-Gouverneurs sera de sept années, mais les deux Sous-Gouverneurs élus au début ne resteront en fonctions que pendant quatre années, et sept années respectivement.



Les sous Gouverneurs seront élus par le Conseil des administrateurs; ils pourront être en tout temps révoqués avec juste motif et remplacés par le Conseil. En cas d'absence ou d'empêchement du Gouverneur, le Sous-Gouverneur le plus ancien en fonctions le suppléera.

F.- AGENTS D'EXECUTION DES SUCCURSALES

(25) Chaque succursale aura un Directeur et un Sous-Directeur nommés par le Gouverneur de la " National Reserve Association " avec l'approbation du Comité exécutif.

(26) Les pouvoirs et attributions du Directeur et du Sous Directeur et des divers comités des succursales seront fixés par les statuts de la " National Reserve Association ".

G.- AGENTS D'EXECUTION DES ASSOCIATIONS

LOCALES.-

(27) Les administrateurs de l'Association locale éliront annuellement dans leur sein un Président, un Vice-Président et un Comité d'Exécutif, dont les pouvoirs, les attributions et la durée de fonctions seront déterminés par les statuts de l'association locale, sous réserve toutefois des dispositions de la présente loi.

(28) Les associations locales, les succursales et la " National Reserve Association " auront chacune des statuts qui prévoieront, entre autres, la manière de pourvoir aux vacances pouvant se produire dans leurs Conseils respectifs.

#### FONCTIONS DES ASSOCIATIONS LOCALES

(29) Toute banque faisant partie d'une association locale peut demander à cette association d'avaliser le papier commercial qu'elle désire réescompter à la succursale de la " National Reserve Association " de son district.

Toute banque recevant ainsi l'aval d'une association locale paiera à celle-ci une commission qui sera fixée dans chaque cas par le Conseil des administrateurs de l'association. En cas de pertes résultant pour l'association locale de l'aval donné par elle, cette perte sera supportée par les membres de l'association conformément au rapport qui existe entre leur capital et leurs réserves, et l'ensemble du capital et des réserves de l'association locale; la commission reçue pour cet aval sera, après paiement des pertes et des frais, distribuée suivant la même proportion entre les diverses banques composant l'association locale. Une association locale sera en droit d'exiger des garanties supplémentaires de toute banque présentant du papier pour être avalisé, ou elle pourra refuser de donner suite à la demande.

(30) Le montant total des engagements d'une

association locale envers la " National Reserve Association " ne pourra~~en~~ aucun moment excéder le montant total du capital et des réserves ~~des~~ banques constituant l'association ~~qui aura~~ donné son aval.

(31) Les associations locales pourront, à la majorité des trois quarts de leurs membres, et avec l'approbation de la " National Reserve Association " , assumer dans l'intérêt réciproque de leurs membres d'autres fonctions, et ~~remplir~~ pour la " National Reserve Association " tels services qui ne seront pas en opposition avec la présente loi et ne seront pas interdits par les droits communs.

(32) Les associations locales nommeront des inspecteurs, qui auront le droit de vérifier la situation des banques composant l'association, suivant les règlements qui pourront être adoptés par l'association locale avec l'approbation de la " National Reserve Association ". Copie des rapports de ces inspecteurs devra être fournie aux agents d'exécution de la " National Reserve Association " sur leur demande.

#### FONCTIONS DE LA " NATIONAL RESERVE ASSOCIATION 5

(33) Tous les privilèges et avantages de la " National Reserve Association " seront équitablement étendus à toute banque faisant partie de la catégorie énoncée dans la présente loi qui souscriront à une partie du capital de la " National Reserve Association, et rempliront par ailleurs les conditions requises par la présente loi.

(34) Le Gouvernement des Etats-Unis et les banques possédant les actions de la " National Reserve Association " seront les seuls déposants de la " National Reserve Association ". La " National Reserve Association " ne pourra faire aux Etats-Unis d'opérations qu'avec le Gouvernement et avec les banques souscriptrices, à l'exception de l'achat ~~ou~~ de la vente de titres du Gouvernement des Etats-Unis ou des Etats <sup>confédérés</sup> des ~~déttes~~ des états étrangers et d'or monnayé ou en lingot.

(35) Le Gouvernement des Etats-Unis déposera ses fonds disponibles à la " National Reserve Association " et, par la suite, toutes les recettes du Gouvernement seront déposées à la " National Reserve Associationn", ~~sur~~ cette réserve que, en cas de nécessité, le Gouvernement pourra désigner, à cet effet, des banques nationales dans les villes où il n'y aura pas de succursale de la " National Reserve Association ". Tous les paiements faits par le Gouvernement seront effectués par l'intermédiaire de la " National Reserve Association ".

(36) La " National Reserve Association " ne paiera aucun intérêt sur les dépôts.

(37) La " National Reserve Association " peut réescompter à toute banque ayant un dépôt chez elle, avec l'endos de cette banque, des effets, et lettres de change créés à l'occasion d'opérations commerciales.

Cette expression, lorsqu'elle est employée, s'applique à tout effet ~~et~~ lettre de change créé dans un but agricole, commercial ou industriel et non en vue d'opérations sur actions, obligations, ou autres valeurs

de placement.

Ces effets et lettres de change ~~ne~~ devront avoir une échéance n'excédant pas 28 jours et avoir été créés 30 jours au moins avant leur réescompte. Le montant ainsi réescompté ne devra en aucun cas excéder le capital de la Banque sollicitant le réescompte, Le montant total des effets et lettres de change portant la signature ou l'endos d'une seule personne, compagnie, " corporation " ou maison de commerce, Le réescompté à une banque quelconque ne devra en aucun cas excéder 10 % du capital et des réserves de la dite banque.

(38) La " National Reserve association " pourra également réescompter à toute banque déposante des effets et lettres de change créés à l'occasion d'opérations commerciales comme il est dit plus haut, ayant plus de 28 jours, mais pas plus de 4 mois à courir, mais en pareil cas le papier devra être avalisé par l'association locale, dont la banque sollicitant le réescompte fera partie.

(39) Lorsque, de l'avis du Gouverneur de la " National Reserve Association " l'intérêt public l'exigera - cet avis devra être partagé par le comité exécutif de la " National Reserve association " et recevoir l'approbation formelle du Secrétaire du Trésor - la " National Reserve Association " pourra escompter l'obligation directe d'une banque déposante endossée par son association locale, à condition que l'endos de l'association locale soit pleinement garanti par le nantisse-

ment et le dépôt chez elle de garanties satisfaisantes, lesquelles seront conservées par l'association locale pour le compte de la " National Reserve Association "; mais en aucun cas, la somme endossée par la " National Reserve Association " ne pourra excéder les trois quarts de la valeur réelle des garanties ainsi fournies.

(40) Les taux d'escompte que la " National Reserve association " aura le droit de fixer de temps en temps, seront publiés et devront être uniformes dans toute l'étendue des Etats-Unis.

(41) La " National Reserve Association " pourra, lorsque sa propre situation et la situation financière générale justifieront ce placement, acheter en quantité limitée à une banque souscriptrice des acceptations de banques ou de maisons jouissant d'un crédit financier incontesté. Ces acceptations devront résulter d'opérations commerciales, ne pas avoir plus de 90 jours à courir et être de la catégorie généralement connue sur le marché sous le nom de " Première signature " Les acceptations devront porter l'endos de la banque souscriptrice qui les aura vendues, lequel endos devra être autre que celui de l'accepteur.

(42) La " National Reserve association " pourra faire des placements en obligations des Etats-Unis et en obligations à court terme - c'est-à-dire n'ayant pas plus d'un an à courir - des Etats-Unis, d'un Etat de l'Union ou de certains Etats étrangers qui seront désignés dans la loi.

(43) La " National Reserve Association " aura aux Etats Unis et à l'étranger le droit de faire le commerce de monnaies et lingots d'or, de con-

sentir des avances sur ce métal et de contracter des emprunts sur des monnaies ou lingots d'or en garantissant, lorsque cela sera nécessaire, le remboursement de ces emprunts par des valeurs acceptables.

(44) La " National Reserve Association " aura le droit d'acheter aux banques souscriptrices et de vendre avec ou sans son endos, des chèques ou lettres de change payables en Angleterre, en France, en Allemagne et dans les autres pays étrangers que le Conseil de la " National Reserve Association " pourra fixer. Ces lettres de change devront résulter d'opérations commerciales, ne pas avoir plus de 90 jours à courir et porter la signature de deux ou plusieurs personnes solvables, dont la dernière devra être une banque dépositante.

(45) La " National Reserve Association " aura le pouvoir de se faire ouvrir et de conserver des comptes de banque dans les pays étrangers et d'établir des agences dans les pays étrangers à l'effet d'acheter et de vendre des lettres de change étrangères. Elle aura le droit de vendre et d'acheter, par l'intermédiaire de ses correspondants ou agences, des chèques ou des lettres de change étrangers de premier ordre, résultant d'opérations commerciales, n'ayant pas plus de 90 jours à courir et portant la signature de deux ou plusieurs personnes solvables.

#### TRANSFERTS DES FONDS A L'INTERIEUR

(46) La " National Reserve association " ou une quelconque de ses succursales, si elle en est requise, aura l'obligation de transférer une partie quelconque du

solde d'une banque ayant un compte chez elle au crédit d'une autre banque ayant un compte à la " National reserve association ". Si un solde est transféré des livres d'un bureau de la " National Reserve association " aux livres d'un autre bureau, cette opération pourra être effectuée par poste ou par télégraphe, à des conditions qui seront fixées de temps en temps par le Comité Exécutif "(Voir aussi § 71)

FONCTIONS DE LA " NATIONAL RESERVE ASSOCIATION ".-

(47) Outre les droits qui leur sont actuellement conférés par la loi, les banques nationales seront autorisées à accepter le papier commercial tiré sur elles, n'ayant pas plus de 4 mois à courir, convenablement garanti et résultant d'opérations commerciales. Le montant de ces acceptations en cours ne devra pas excéder la moitié du capital et des réserves de la banque ~~en donnant~~ son acceptation, ~~et~~ sera soumis aux restrictions de la section 5.200 des Statuts Révisés.

(48) La création de~~s~~ banques destinées à faire des opérations dans les pays étrangers et dans les dépendances des Etats-Unis sera autorisée. Les actions de ces banques pourront être possédées par une banque nationale, mais le montant total de ces actions possédées par une seule banque ne devra <sup>pas</sup> excéder 20 % de son capital. La Banque ainsi organisée pourra avoir un bureau aux Etats-Unis, mais ne pourra recevoir de dépôts aux Etats-Unis, ni entrer en concurrence avec les banques Nationales, <sup>pour</sup> les opérations à l'intérieur ne se



rattachant pas nécessairement aux opérations effectuées dans les pays étrangers ou dans les dépendances des Etats-Unis.

(49) Les banques nationales recevront le droit, moyennant des restrictions et des règles convenables qui seront définies par la loi, d'établir des sections d'épargne, et de prêter, moyennant des restrictions convenables, jusqu'à concurrence de 40 % de leurs dépôts d'épargne sur des biens immobiliers productifs; ces prêts ne devront pas excéder 50 % de la valeur réelle des ~~dis~~ biens immobiliers.

#### ENCAISSES.-

##### (A) Encaisse des banques souscriptrices

(50) Toutes les banques souscriptrices doivent se conformer aux obligations suivantes, en ce qui concerne l'encaisse à conserver en contre-partie des diverses catégories de dépôts, mais le solde de toute banque souscriptrice à la " National Reserve Association " et tous les billets de la " National Reserve Association " que possède cette banque doivent être comptés comme faisant partie de son encaisse obligatoire.

(51)- I - DEPOTS A VUE - Il n'y aura pas de changement ~~dans~~ la proportion de l'encaisse dont la loi exige le maintien en contre partie des dépôts à vue par les banques nationales dans les diverses localités et, par la suite, la même proportion ~~de~~ l'encaisse ~~des~~ dépôts à vue sera exigée dans toutes les banques souscriptrices dans les mêmes localités.

(52) - 2 - DEPOTS A TERME - Tous les dépôts à terme et les fonds conservés " in trust " remboursables dans un délai égal ou inférieur à 30 jours à compter de la date du dépôt, seront soumis, en ce qui concerne la proportion de l'encaisse, aux mêmes conditions que les dépôts à vue dans la même localité.

Les dépôts qui sont remboursables dans un délai égal ou supérieur à 30 jours à compter de la date du dépôt nécessiteront la même encaisse que les dépôts à vue dans la même localité, pendant les 30 jours précédant l'échéance, et en outre une encaisse égale à 40 % de celle exigée pour les dépôts à vue, pendant toute période supérieure à 30 jours, mais inférieure à 60 jours, que les dépôts pourront avoir à courir; mais aucune encaisse ne sera exigée pour ces dépôts, sauf pendant les 60 jours précédant leur échéance; ces dépôts et les fonds conservés " in trust " devront être représentés par des certificats ou documents écrits payables seulement à une date fixée, éloignée d'au moins 30 jours de la date du dépôt, et le retrait ne pourra être autorisé avant le terme stipulé sans préavis de 30 jours.

(53) (3) DEPOTS D'EPARGNE - Les dépôts d'épargne comportant un préavis de 30 jours ou plus, devront être garantis par une encaisse s'élevant à 40 % de celle requise pour les dépôts à vue dans la même localité.

Les dépôts d'épargne ne comportant pas un préavis de 30 jours seront garantis par une encaisse s'élevant à 60 % de celle requise pour les dépôts à vue dans la même localité.

(B) Encaisse de la " National Reserve  
Association " -

(54) Tous les engagements à vue de la " National Reserve Association", y compris les dépôts et les billets en circulation, seront garantis jusqu'à concurrence de 50 % par une encaisse composée d'or (y compris les monnaies d'or et lingots étrangers) ou d'autres monnaies légales des Etats-Unis, étant entendu cependant, que lorsque et aussi longtemps que cette encaisse tombera et restera au-dessous de 50 %, la " National Reserve Association " paiera un impôt spécial calculé comme suit : pour chaque écart au-dessous de 50 %, un impôt au taux de 1 1/2 % l'an sera payé sur l'insuffisance de l'encaisse.

(55) Pour les calculs des engagements à vue de l'association, il sera déduit une somme égale à la moitié du montant des obligations des États-Unis possédées par l'Association qui auront été achetées aux banques nationales et qui avaient été antérieurement déposées par ces banques en garantie de leurs billets en circulation.

RAPPORTS

(56) La " National Reserve Association " adressera une fois par semaine au Contrôleur de la circulation un rapport faisant connaître les principaux chapitres de son bilan. Ces rapports seront publiés. En outre, des rapports complets seront adressés au contrôleur de la circulation, à des dates coïncidant avec celles des 5 rapports exigés chaque année par des banques nationales.

(57) Tous les rapports des inspecteurs des banques nationales concernant la situation des banques seront à l'avenir établis en double et une copie en sera adressée à la " Nationale Reserve Association " pour être communiquée confidentiellement à ses agents d'exécution et directeurs de succursales.

(58) Toutes les banques souscriptrices devront, conformément aux règles qui seront établies, adresser à la " Nationale Reserve Association " un rapport hebdomadaire faisant connaître les principaux chapitres de leur bilan.

(59) BANQUES D'ETAT ET TRUST COMPANIES

Une banque ou une trust company constituée conformément aux lois d'un état quelconque peut souscrire au capital de la " National Reserve Association " de la même manière et dans les mêmes conditions que les banques nationales; elle peut devenir membre d'une association locale et y exercer les mêmes droits et privilèges que si elle était une banque nationale; à condition:

(60) (a) que, si c'est une banque, son capital versé ne soit pas inférieur à celui qui est requis pour une banque nationale pour la même localité, et que (b) si c'est une trust company, elle ait un fonds de réserve intact égal à 20 % au moins de son capital, et que, si elle est située dans une ville de 25.000 habitants au maximum, elle ait un capital versé d'au moins 100.000 dollars, et, dans une ville plus importante, un capital proportionnellement plus considérable, jusqu'à concurrence de 500.000 dollars, dans une ville de 500.000 habi-

tants ou davantage

(61) qu'elle ait et s'engage à maintenir, en garantie de ses dépôts à vue, une encaisse de même nature et de même montant que celle exigée par la loi pour une banque Nationale dans la même localité; étant entendu cependant que les dépôts qu'elle pourra avoir dans une banque Nationale, une Banque d'Etat, ou une Trust Company, dans une ville désignée dans la loi sur les Banques Nationales comme " Reserve city ou " Central Reserve City ", dont le capital versé ne sera pas inférieur au capital minimum exigé d'une banque Nationale dans la même ville, et s'il s'agit d'une trust company pas inférieur à celui qui a été précédemment indiqué pour une trust company dans une ville de même catégorie, et qui sera membre d'une association locale, - que ces dépôts seront comptés comme encaisse de la même manière et dans la même mesure que les dépôts similaires d'une banque Nationale dans les banques nationales des villes de cette catégorie.-

-62- (3) qu'elle ait et s'engage à maintenir en garantie de toutes les autres catégories de dépôts, les proportions d'encaisse requises par la présente loi.

(63)(4) qu'elle s'engage à se soumettre aux inspections et à faire les rapports qui sont prescrits par la présente loi et par la loi sur les banques nationales et à se conformer aux autres obligations et conditions imposées par la présente loi.

EMISSIONS DE BILLETS

(64) Aucune banque nationale ne pourra à l'avenir émettre de billets au delà du montant actuellement en circulation. Les banques nationales pourront si elles le désirent maintenir leur émission actuelle, mais lorsqu'une banque retirera tout ou partie de ses billets en circulation, elle renoncera définitivement au droit de réémettre les billets ainsi retirés.

(65) La " National Reserve Association " devra pendant une période d'une année offrir d'acheter à un prix qui ne sera pas inférieur à leur valeur nominale, plus les intérêts échus, les obligations 2 % actuellement possédées par les Banques nationales, et déposées en garantie de leurs billets en circulation. La " National Reserve Association " reprendra ces obligations et assumera la responsabilité du remboursement " a présentation " des billets en circulation garantis par ces titres. La " National Reserve association " émettra dans les conditions prévues par la présente loi ses propres billets, à mesure que les billets garantis par les dites obligations seront présentés au remboursement, et pourra émettre d'autres billets de temps en temps pour faire face aux besoins des affaires, la politique des Etats-Unis, étant <sup>de</sup> retirés aussi rapidement que possible, en tenant compte de l'intérêt public, les billets gagés par des obligations, et de leur substituer des billets de la " National Reserve Association " créés, garantis, et remboursés de la manière prévue par la présente loi.

-66) Toutes les dispositions autorisant les banques nationales à conserver ou transférer et remettre au Trésorier des Etats-Unis des obligations des Etats-Unis autres que celles requises pour garantir les billets en circulation et les dépôts du Gouvernement seront abrogées.

(67) Toutes les émissions de billets de la " National Reserve Association " devront être couvertes jusqu'à concurrence d'au moins  $1/3$  par de l'or ou d'autres monnaies légales, et pour le surplus par du papier commercial bancable défini dans la présente loi, mais aucun billet ne sera émis lorsque la monnaie légale ainsi conservée descendra au dessous du tiers des billets en circulation.

(68) Tous les billets de la " National Reserve Association " en circulation à un moment donné, au delà de 900 millions de dollars (1) mais au dessous de 1.200 millions de dollars, qui ne seront pas couverts par un égal montant de monnaie légale conservée par l'association paieront un impôt spécial au taux de  $1\ 1/2\ \%$  l'an, et tous les billets émis au-delà de 1.200 millions de dollars, qui ne seront pas ainsi couverts, paieront un impôt spécial au taux de  $5\ \%$  l'an.

(69) Les billets seront investis d'un privilège de premier rang sur tout l'actif de la " National Reserve Association " et des dispositions appropriées devront être prises pour leur remboursement immédiat à vue en mon-

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(1) Les 900 millions et les 1200 millions de dollars doivent comprendre tous les billets des banques nationales qui pourront être en circulation au moment envisagé.

naie <sup>légal</sup> au siège central de la " National Reserve Association " ou dans n'importe laquelle de ses succursales.

(70) Les billets de la " National Reserve association " seront reçus pour leur valeur nominale en paiement de tous impôts, droits d'assise, et autres sommes dues aux Etats-Unis et en paiement de tous salaires et autres sommes dues par les Etats-Unis à des particuliers, à des sociétés ou associations, hormis les obligations du Gouvernement qui sont, en vertu d'une convention spéciale, payables en or, et en paiement de toutes les dettes d'une banque envers une autre, et de toutes les dettes envers une banque.

(71) La " National Reserve association " devra, à la première demande, sans faire payer des frais de transport, adresser ses billets à toute banque dépositante, en contre-partie du solde créditeur de celle-ci.

#### OBLIGATIONS DES ETATS-UNIS

(72) Sur la demande de la " National Reserve Association " le Secrétaire du Trésor échangera des obligations 2 % investies du privilège de circulation achetées aux banques, contre des obligations 3 % sans privilège de circulation, remboursables 50 ans après la date d'émission.

La " National Reserve Association " paiera au Gouvernement pendant la durée de sa charte une taxe compensatrice spéciale de 1 1/2 % sur une somme égale à la valeur nominale des obligations à elle transférées par la Banque souscriptrice.



( 3 ) La " Reserve association s'engagera à conserver les obligations 3 % ainsi émises pendant la durée de son existence sociale.

Etant entendu qu'après 5 ans, le Secrétaire du Trésor pourra à son gré permettre à la reserve association de vendre annuellement pour 50 millions de dollars au maximum de ses obligations, étant encore entendu, que les Etats-Unis se réservent le droit de rembourser en tout temps, tout ou partie de ces obligations avant leur échéance ou de les acheter au pair pour le compte des administrateurs des caisses d'épargne postales ou autrement.

(L'effet de cette échange et de cet engagement serait de permettre aux Etats-Unis de pourvoir d'une manière permanente au service d'une grande partie de la dette publique moyennant un intérêt net de 1 1/2 %).

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Dec 11/11

NATIONAL MONETARY COMMISSION,  
WASHINGTON, D. C.

Mr. Weeks' suggestion  
as to location of Branches  
and Districts.

Boston

N.Y.

Phil.

Baltimore

Atlanta

N. Orleans

Cincinnati

Chicago

Houston

Kansas City

Minneapolis

Denver

Salt Lake City

Seattle

San Francisco

NATIONAL MONETARY COMMISSION,  
WASHINGTON, D. C.

No 1	No 2	No 3	No 4
Maine	N.Y.	Western N.Y.	Maryland
N.H.	Conn.	<del>Pa.</del> Penn.	Washington
Vt.	Eastern N.Y.	Del.	Virginia
Mass.			
R.I.			
No 5	No 6	No 7	No 8
N.C.	Alabama	Tenn	No. O
S.C.	Miss	Ky	No Ind.
Ga.	La.	So Ohio	Mich
Fla		So. Ind.	Ill
		W. Va.	Wis
No 9	No 10	No 11	No 12
Texas	Missouri	Minnesota	Colorado
Oklahoma	Kansas	No Dak	N. Mex
Arkansas	Nebraska	So Dak	Arizona
	Iowa		Idaho

No 13  
Hawaii  
Idaho  
Utah

No 14  
Washington  
Oregon

No 15  
California  
Nevada

Mr. Mules suggestion for

NATIONAL MONETARY COMMISSION,

WASHINGTON, D. C.

Directors,

Secretary of Treasury,

" " Comptroller & Loans

" " Agriculture

Comptroller of the Currency  
Manager of

Est " 25

15 Directors elected as in par. #15-

15 " " " " " " #15-

but from the business interests of  
the country.

The last 15 shall not be at the  
same time a director in other  
banking institution.

## RESERVES.

Perhaps the most important defect in our monetary system is to be found in its unscientific treatment of the reserves of individual banks. We have described the character of this defect and in our opinion the provisions of the proposed bill will furnish an effective and logical remedy. We propose that all or any portion of the cash reserves of the banks which are now required by law to be held in their vaults, may be deposited with the Reserve Association, and when so deposited shall be counted as a part of their legal reserve. This will result in the transfer of money deprived potency and defensive power, to a condition of vitality and effectiveness. It is proposed that the reserves thus concentrated may be used by the Reserve Association, through its branches, for the assistance and support of any bank or section when needed. The reserves of any subscribing bank

can be replenished at any time by the rediscount or discount of commercial paper in the manner elsewhere described.

This involves the use of assets which wotherwise would not be available for this purpose to strengthen, whenever necessary, the loaning power of the bank.

This will enable the banks to adopt the policy of providing that simultaneous strengthening of reserves and liberal extension of credits which has been successful in every instance for half a century in the prevention of panics in the commercial nations of Europe. In those countries there is no suspension or paralysis of accommodation to customers, but rates of discount are at times increased concurrently, to a very high figure. The plan provides not only for a concentration and mobilization of cash reserves, but for a decentralization of control by means of the powers over distribution granted to local and district associations.

## BROADER DISCOUNT MARKET.

The Commission believe that the various provisions of the bill for establishing a broader discount market will prove of great advantage to the people of the entire country. The provisions upon which we rely to accomplish this purpose are, first, the establishment of a standard of commercial paper issued for agricultural and other purposes, which is made available for rediscount at the branches of the Reserve Association. The establishment of this standard will create a strong tendency to make the instruments of commercial ~~paper~~ credit conform to these requirements; second, it allows national banks to the extent of one-half of their capital to accept properly secured drafts drawn upon them, drawn perhaps with documents attached, against cotton, wheat, or other products in transit or in warehouse; third, it gives a new and wider market to domestic bills of exchange drawn on foreign countries and based on transactions in American products, or



to pay for our purchases abroad; fourth, it authorizes the National Reserve Association to buy and sell in foreign countries prime bills of exchange, many of which would be of American origin. These various provisions give a national and international currency to notes, acceptances, and bills of exchange based on the agricultural and other products of the United States.

The methods by which our domestic and international credit operations are now conducted are crude, expensive and unworthy of intelligent people. The annual value of the products of our industries is estimated at thirty five thousand million dollars. If to this vast sum is added the cost of transportation and distribution, we can realize that the movements of these products through various stages from the producer to the consumer requires the use of an enormous amount of credit and cash. To form a greater estimate of the magnitude of our credit structure, we should add our

accumulations of wealth and capital to the sums used in connection with our foreign trade. It is the function of a sound monetary system to take care of these vast operations without friction in such a manner as will promote the prosperity of a great people. The unimportant part which our banks and bankers take in the financing of our foreign trade is disgraceful to a progressive nation.

We export of domestic products two thousand million dollars annually and our annual imports amount to fifteen hundred million dollars. Very much the larger portion of this international trade is financed by and pays tribute to foreign bankers. Take one illustration: last year we exported about six hundred fifty million dollars in value of cotton; it was largely financed by sixty or ninety days bills drawn on Liverpool, London, Paris or Berlin. This business was practically all done by foreign banks or bankers.

The banks in the South, and perhaps in New York, were enabled to collect a commission on a part of the business en route, but the lions share of the profits accruing from the transactions, millions of dollars in amount, were paid to European financiers, and this large sum was in the last analysis paid by the cotton planter.

The disabilities from which our producers suffer in our foreign trade apply largely to domestic transactions. The man who raises cotton in Mississippi, or cattle in Texas, or the farmer who raises wheat in the northwest, cannot usually find a market for his obligations in Chicago, New York or London, because the bankers of these cities have no knowledge of his character and responsibility. We propose to remedy this condition in large part by the use of the standardized commercial paper we have described, and also by the use of acceptances of local banks of drafts drawn by a farmer or planter whose responsibility is known to the bank

and who may have deposited with it security on his products.

This commercial paper and the acceptances would have currency in any market in the world and could be promptly transformed into reserves and made available for increasing the loaning power of a depositing bank at any time.

Changes made by the Commission.

Sec. 3. Organization Committee. "The Secretary of Agriculture is to be added as a member of the organization committee".

Sec. 2. "Sub-division 1 of Section 2 should be rewritten"

Sec. 1. "That the National Reserve Association of the United States be, and it is hereby, created a body corporate and established for a term" etc.

Title. "An act to incorporate the National Reserve Association of the United States and for other purposes".

Sec. 3. Strike out, "paid out of any money in the Treasury not otherwise appropriated" and insert "payable out of the Treasury".

Sec. 4, second paragraph. "Language not decided upon but the intent is that in making up the districts that they will not be compelled to recognize state lines."

Sec. 4, third paragraph. Change language so as to read, "The districts may be readjusted and new districts and new branches may from time to time be created by the directors of the National Reserve Association".

See that paragraph 24 of the Plan is incorporated in the bill before the provisions for the appointment of the governor and deputy governors.

Secs. 11 and 12. To be rewritten.

Sec. 10. To provide that when the \$100,000,000 has been paid in that then they shall execute and file with the Secretary of State a certificate that the \$100,000,000 has been paid in and with the Comptroller of the Currency a certificate that the money has been paid in, also giving the title and location of each bank and the number of shares held and the amount paid thereon.

Sec. 13, first line. The word "stock" to be inserted after the word "capital". Similar correction to be made in every other place where the capital is referred to.

Sec. 16. Change to read, "There shall be a board of examination elected. It shall be the duty of this board to examine into the condition of the affairs of the National Reserve Association and the branches and to make a public statement of the result at least once a year".

Strike out requirements that certificates shall be acknowledged before a judge of a court of record or a notary public.

Sec. 3, second paragraph. Separate section and provide that after the organization of the National Reserve Association there shall be filed, etc.

Suggestions on Report.

by T. E. Burton.

First of a general nature: Would it not be well to make a brief independent statement of the fact that State banks are eligible to membership in the Association? State banks are quite frequently mentioned in the report on the same footing with National banks, but as there is a great deal of discussion on this subject it would seem desirable to set forth that they may be admitted.

*O.K.*

Galley 4: It is stated twice on this galley that the Governor should be selected by the President of the United States. There is no mention of the eligible list furnished by the directors of the Association. On this same galley the expression is used "representative business men". While the word "business" is general, it is worthy of consideration whether the expression "citizens" would not be preferable to "business men".

*O.K.*

Galley 5: States the Reserve Association is required to maintain a reserve of not less than fifty per cent. No exception is made of emergencies and perhaps it is not necessary to do so.

*Inserted in Separation*

Galley 6: Mention is made of the amount of authorized currency seven hundred millions; to this an additional two hundred millions for seasonal or crop moving demands. Then mention is made of note issue in excess of twelve hundred millions. The transition to this last amount is a little abrupt because, in the prior case where an expansion

*O.K.*

of two hundred millions is authorized, the reason for it is given.

Near to the bottom of this galley, it is said that two per cent bonds would have a market value of approximately 67. Would they not be worth more than that! This figure- 67- is obtained by a computation in which the rate of interest is regarded as 3%. In the life of the bonds, however, the difference between the low rate 67, or whatever it may be, would be earned so that the market value would also take into account the fact that finally 100% would be paid. This would increase the figure somewhat.

Galley 7:

Under the head of rates of discount, after doubt is expressed whether commercial rates can be secured at once by such legislation, it is said: "With this provision adopted, the tendency would be toward a gradual equalization of rates at all points". Query: Should this not be stronger and begin with an adversative "But", so that it may read: "But with this provision adopted the inevitable tendency", etc.

Toward the close of this galley the term "productive forces" is used, and it is said: "They are only partially developed". Is not the real lack of development in banking facilities more than in productive forces?

On Galley 9, 2d line, Currency. Is not the idea rather "status" or "standing"?

Near to the middle of the galley it is said: "The farmer who

OK

OK

No

No



2.  
raises wheat in the northwest cannot readily find a market for  
his obligations in Chicago". Is not the idea rather the obligations  
to him than his obligations.

110  
Query: Whether the word "patriotic" should be used before the  
words "character and business ability of banking managers".

b.K.  
In a later paragraph on this galley, it is said "We propose to  
limit the representatives of the district to three out of thirty-nine".  
Would not this idea be more clearly expressed by saying "of any one  
district" instead "of one district"?