

FEDERAL RESERVE BANK OF CHICAGO

79 WEST MONROE STREET

OFFICERS

JAMES B. McDOUGAL GOVERNOR
C. R. McKAY DEPUTY GOVERNOR
W. F. McLALLEN SECRETARY
B. G. McCLOUD CASHIER
S. B. CRAMER ASST. CASHIER

DIRECTORS

W. A. HEATH
CHAIRMAN AND FEDERAL RESERVE AGENT
J. W. BLODGETT GRAND RAPIDS, MICH.
J. B. FORGAN CHICAGO, ILLINOIS
M. B. HUTCHISON OTTUMWA, IOWA
A. H. VOGEL MILWAUKEE, WISCONSIN
W. F. McLALLEN
DEPUTY FEDERAL RESERVE AGENT
E. L. JOHNSON WATERLOO, IOWA
E. T. MEREDITH DES MOINES, IOWA
G. M. REYNOLDS CHICAGO, ILLINOIS

Chicago, December 21, 1917.
Bulletin No. 93.

TO THE MEMBER BANKS OF DISTRICT NUMBER SEVEN:

Under date of August 1, 1917, we issued a bulletin suggesting a form of resolution to be passed by the board of directors of a member bank authorizing loans to directors.

In order to remove any doubt as to whether such a resolution will cover notes discounted by a third party, bearing the endorsement of directors or attorneys, it is suggested that wherever it is necessary the former resolution be modified to read as follows:

Resolved, That the president, cashier, or assistant cashier of this bank be, and he is hereby, authorized to discount notes, drafts, bills of exchange, or other evidences of debt executed or indorsed by, a director, or, the attorney, of this bank on the same terms and conditions as other notes, drafts, bills of exchange, or other evidences of debt are discounted: Provided, The aggregate amount of such notes, drafts, and bills of exchange discounted for such director or attorney and remaining unpaid shall at no time exceed the sum of \$.....: Provided further, That in any case in which any note, draft, or bill of exchange is discounted under authority of this resolution a report shall be made thereof at the next subsequent meeting of the executive and discount committee of the board and such report shall show the aggregate amount of liabilities of such director to this bank.

Very truly yours,

JAMES B. McDOUGAL,

Governor.