

At a special meeting of the Federal Reserve Board held in the office of the Board at 11:00 a. m. on Wednesday, November 11th

PRESENT:

Mr. Hamlin Mr. Warburg
Mr. Williams Mr. Harding
Mr. Miller.

The Governor presided and Mr. H. P. Willis acted as secretary to the meeting.

The minutes of the preceding meeting were read and approved.

On motion it was voted that Circular 13, relating to commercial paper be given out for use in the morning papers of Thursday, November 12th, and that the printed copies of reports of committees at the convention of directors, be given to the newspapers for use on Thursday evening November 12.

Mr. Harding recommended a proposed regulation relating to the custody of Federal reserve notes. After discussion the proposed regulation was referred back to Mr. Harding as Chairman of the Committee which reported it.

Mr. Harding recommended that a communication from tobacco growers be answered with the statement that relief

would probably be given to them through the organization of the new reserve banks. The Secretary of the Board was instructed to send such an answer.

The question of making suitable arrangements for telephone connection with the Board room was referred to Mr. Miller as a committee with power to act.

A communication from Federal Reserve Agent Pierre Jay, regarding arrangements for entering the vaults containing securities, etc., in the custody of Federal reserve agents, and an opinion from Secretary J. F. Curtis of the Federal Reserve Bank of New York with reference to the tender of collateral to protect Federal reserve notes, were read to the Board.

Mr. Harding submitted to the Board a regulation relating to the acceptance of checks by Federal reserve banks at the opening of business.

On motion this regulation was referred back to the committee of which Mr. Harding is chairman, for further examination.

Questions raised by officers of reserve banks, relating to domestic and foreign exchange functions of the Federal Reserve Banks were presented by the Secretary to the Board and it was informally agreed that inquiring banks be informed that the functions in question were not to be undertaken at the

outset.

On motion it was voted that Messrs. Wing of Boston, Strong of New York, Rhoads of Philadelphia, Fuller of Milwaukee, Wade of St. Louis and Forgan of Chicago, with Mr. Broderick of the Staff of the Federal Reserve Board, and others be asked to consider, and give their views with reference to, the regulations to be adopted governing the entrance of state banks into the Federal reserve system, and also with reference to the exercise of functions of trustee and executor by National Banks.

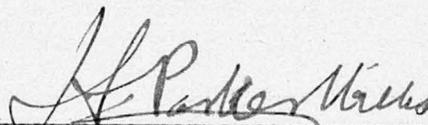
The Secretary of the Board was instructed to prepare a letter asking the persons named to give their views and suggest regulations on this subject.

Inquiries from Mr. Wm. Ingle, reserve agent at Richmond, were ordered answered with the statement that the question of compensation of officers and directors of Federal reserve banks is still under advisement.

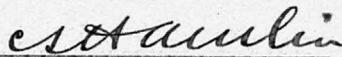
A communication from Federal Reserve Agent Curtis of Boston, inquiring whether Federal Reserve banks can issue notes against lawful money and under what conditions the functions of trustee and executor can be exercised by member banks, was read to the Board and ordered answered.

Communications with reference to the power of member bank officers to accept fees or payment from other sources were referred to Counsel for recommendation.

On motion at 12:30 p. m. the Board adjourned to meet at 3:00 p. m.


Secretary.

APPROVED:


Chairman.