At a special meeting of the Federal Reserve Board held in the office of the Board on Friday, November 20th, at 11:00 a. m.

PRESENT:

Mr. Hamlin                Mr. Williams
Mr. Delano                Mr. Miller.

The Governor of the Board presided and Mr. H. P. Willis acted as Secretary to the meeting.

On motion it was voted that Circular No. 12 A, intended to correct errors in Circular No. 12, be printed and sent to Federal Reserve banks, with a letter calling attention to the nature of the changes made. The Board informally discussed the question of obtaining early numbers of Federal reserve notes for personal use, and instructed the Secretary as to his action in the matter.

On motion the following questions were referred to Assistant Secretary of the Treasury Malburn:

1. Can a member bank furnish funds for the purpose of paying an obligation due to the Government by supplying to persons having such debts to pay a check or draft upon its own Federal Reserve Bank?

2. What should be the treatment of Government checks (checks drawn by the Government to pay its obligations) when the same are offered to Federal Reserve Banks for deposit? If accepted, how should they be collected?
3. Would it be possible to permit Federal Reserve Banks to deposit their 5% redemption fund (gold) against Federal Reserve notes in the sub-treasury nearest them?

4. Where Federal Reserve Banks receive National bank notes on deposit, could they present such National Bank notes to the nearest sub-treasury and receive lawful money in exchange?

5. What special regulations if any, should be issued to Federal Reserve banks regarding the method of transmitting their 5% redemption fund to the Treasury Department in Washington?

On motion it was voted that the application of the Chicago Federal Reserve Bank for two hundred thousand dollars in notes be accepted and the Comptroller be authorized to forward the amount.

On motion it was voted that the Comptroller be authorized to ship to the Federal Reserve Bank of New York, six million dollars in fives and tens, and four million dollars in other denominations, when received from the Bureau of Engraving and Printing.

On motion it was voted that the Secretary of the Board prepare a standard form of motion relating to applications for the issue of Federal Reserve notes.

On motion it was voted that the Secretary inform General McIntyre, of the Bureau of Insular Affairs, in answer to his question, that depository banks must hold the usual required reserve against Government deposits.
On motion it was voted that the rate of 5½% for rediscount asked for by the Federal Reserve Bank of Boston for maturities up to thirty days, be adopted, such rate to take effect after the current week.

On motion it was voted to refer the question of pending applications made by State Banks for admission to the Reserve System, to standing committee No. 6, with a request for early action.

On motion a reduction in the capital stock of the National Copper Bank of Salt Lake City, from $500,000 to $300,000, approved by the Comptroller of the Currency, was voted.

On motion it was voted to ask the standing Committee on Organization, No. 1, to examine into the qualifications of Mr. J. F. Crowell, of New York City, as a possible member of the staff of the Federal Reserve Board.

On motion, a memorandum submitted by Counsel to the Board with reference to the distribution of pending business was referred to the Governor and Vice-Governor for action.

On motion the question of engaging Mr. C. C. Robinson on a temporary basis as a travelling accountant, was referred to the Vice-Governor and Secretary with power to act.
On motion it was voted to send to all Federal Reserve Agents a telegram of inquiry with reference to how soon and under what conditions the clearing of member bank checks could be undertaken.

On motion the question of clearing such checks and of exchange balances between Federal Reserve Banks, was referred to Standing Committee No. 3, on Federal Reserve Banks and Discount Operations.

A letter from Mr. A. L. Mills of Portland, Oregon, relating to exchange charges, was ordered placed on the calendar for discussion at a meeting to be held on Monday, November 23d.

On motion, the Board adjourned at 12:45 p. m. to meet on Monday, November 23d at 11:00 a. m.

APPROVED:

[Signature]

Chairman.