

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:00 a. m., Wednesday, November 25th

## PRESENT:

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

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

The minutes of the preceding meeting were read and approved.

The Governor of the Board presented an opinion of Counsel with reference to rates of interest and the usury question. The opinion was ordered filed.

A report on the methods to be followed in issuing and redeeming Federal reserve notes was presented to the Board by Mr. Miller and was given general discussion. No final action was taken.

A letter from Comptroller Williams stating certain facts with reference to the plan for the opening of the stock exchange and his position relative thereto, was read to the Board and ordered filed.

The Governor of the Board presented the question whether applicants for appointment who have already passed Civil Service examinations are to be required to be re-examined with other candidates. On motion this was referred to the Committee on Organization and Staff.

The Governor of the Board presented a letter from President Hamphill of the Pennsylvania Society of New York City, extending an invitation to the members to attend a dinner of that Society. The letter was ordered received and placed on file.

A letter from the President of the First National Bank of Chattanooga (Mr. Lyerly) relative to Government deposits in Federal reserve banks, was read to the Board.

Letters from Mr. Levering relative to character of paper available for rediscount were read and referred to Standing Committee #3.

A letter from Mr. Festus J. Wade, addressed to Governor Rolla Wells of the Federal Reserve Bank of St. Louis was also referred to Standing Committee #3.

On motion it was voted that Standing Committee #5 on Legal Matters shall be requested to make a practice of checking all letters involving legal questions before they are sent

out by the Board.

On motion it was voted that the Secretary prepare for submission to the Board a standard form for a proposed Bulletin of the Federal Reserve Board.

The question of the present status of legal matters now pending before the Board and of the possible employment of additional counsel was referred to the Committee on legal matters (Standing Committee #5), which, for this purpose was enlarged to include Mr. Delano and Mr. Williams.

A telegram from Governor Wold of Minneapolis regarding the purchase of State warrants was read to the Board. In reply, the Board directed inquiry as to the amount which it was desired to invest and what rate of interest would be paid.

Comptroller Williams asked the Board to pass resolutions regarding the amount of notes which should be forwarded to each Federal Reserve Bank. On motion of Mr. Miller, it was voted that the Comptroller deliver by parcels post or express, as the Governor of the Board might direct, and in such denominations as may be deemed best, the following amounts of Federal reserve notes,

delivery being made in each case to the appropriate Federal Reserve Agent:

New York	\$2,000,000
Philadelphia	1,000,000
Cleveland	1,460,000
Richmond	400,000
Chicago	800,000
St. Louis	400,000
Minneapolis	1,520,000
Kansas City	1,380,000
San Francisco	1,620,000

No notes were ordered shipped to Boston, Dallas or Atlanta.

Mr. Warburg briefly reported to the Board the tenor of the answers received to the Board's telegram with respect to the undertaking of clearings by Federal reserve banks.

On motion it was voted to make the clearing house question the first order of business for Monday morning, November 30th. For the present, it was informally agreed that Federal reserve banks should continue their present method of dealing with exchange between themselves and other Federal reserve banks.

At the request of the Comptroller of the Currency, a resolution of the Board of Directors of the People's National Bank of Pittsburgh, relative to the conduct of President Wardrop of that bank in accepting compensation for certain financial

transactions, was read to the Board. The memorandum was laid on the table and ordered filed.

On motion it was voted that the 5½ redemption fund received from Federal reserve banks should be accepted and disposed of in like manner as the 5% fund from National Banks, except that under the Federal Reserve Act it must consist of gold exclusively.

Mr. Harding presented certain questions relating to the discounting of manufacturer's notes, the same having been raised by Federal Reserve Agent Ingle.

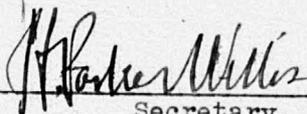
On motion it was voted to refer the subject back to Mr. Harding and it was ordered that the matter be placed on the docket for Monday morning.

Letters prepared for transmission with respect to the savings deposit methods of the First National Bank of Salisbury, and the First National Bank of Bradford, Penna., were approved.

A report presented by Mr. Harding with reference to the number of days to be regarded as a standard year in computing interest in Federal Reserve Banks was referred back to Mr. Harding for further report.

On motion, the Board adjourned at 1:00 p. m. to meet on Monday, November 30th at 11:00 a. m.

APPROVED:

  
Secretary.

  
Chairman.