

At a regular meeting of the Federal Reserve Board held in the office of the Board on Tuesday, December 8th, at 3:00 p. m.

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 Secretary of the Board presented letters from Federal Reserve Agents Bosworth and Ingle and Deputy Federal Reserve Agent Smith, relating to the use of additional security to protect discounted paper in those cases where the value of a member bank's endorsement was doubtful. After discussion, these communications were referred to Mr. Warburg, as Chairman of Subcommittee B, Standing Committee #3.

A letter from Federal Reserve Agent Martin regarding the definition to be given agricultural paper, was also referred to Mr. Warburg.

A communication from the Superintendent of Banks of Minnesota regarding proposed legislation in Minnesota, was referred

to Federal Reserve Agent Rich for such action as might be deemed necessary.

Questions relating to the treatment of paper originating with finance companies were referred to Mr. Warburg as Chairman of Subcommittee B, Standing Committee #3.

The question of changing the discount rate in various districts was taken up and on motion it was directed that Federal Reserve Agent Jay be asked to ascertain the rates charged by New York banks for accommodations to banks in the South.

A communication from Federal Reserve Agent Rich to the effect that the rate of discount at Minneapolis had been changed to 6% was read to the Board. On motion it was voted to take up the whole question of discount rates at the several banks for reconsideration on Monday, December 14th.

The Board further ordered letters relating to the method by which reserves had been paid in in the several districts, to be compiled on a comparative basis.

After discussion of the question of appointing Mr. J. F. Crowell to some post under the Board, the matter was laid on the table.

The Secretary of the Board presented a letter and accompanying circular from Deputy Federal Reserve Agent Smith

of St. Louis regarding the inauguration of check clearances in the St. Louis district. On motion this matter was laid on the table.

A variety of communications from country banks, regarding the abolition of exchange charges were referred to Mr. Harding as special committee, for consideration and report.

On motion, it was voted that Christmas payments made by banks to employees if reasonable and if regarded as practically a part of compensation of employees, did not constitute a violation of the Federal Reserve Act.

The withdrawal of the Munsey Trust Company and the Savannah Trust Company of their applications for membership in the Federal Reserve system were presented to the Board and laid on the table.

On motion, the question of fixing a date for the consideration of the appeal of Baltimore from the decision of the Organization Committee, was laid on the table until the meeting of Wednesday.

The question of permitting Federal Reserve banks to purchase school warrants was considered, and, after discussion, no action was taken, owing to the absence of rules and regulations on the subject.

The case of Mr. Walter S. Hackney was referred for consideration at the approaching meeting of bankers in this City.

Communications with reference to the amount of acceptances for any one bank were referred to the Governor and Counsel.

Applications for stock filed by the American National Bank of Pensacola, the Burlington National Bank of Burlington, Washington, the First National Bank of Amherst, Nebraska, the First National Bank of Oregon, Wisconsin, and the Grange National Bank of Potter County, Pennsylvania which had been found in due form, were approved.

The question of an assistant to Federal Reserve Agent Perrin was referred to Mr. Hamlin as Chairman of Standing Committee #5, and the Counsel to the Board.

A letter from Governor Aiken regarding the opening of the Boston Stock Exchange was presented to the Board and ordered acknowledged.

Mr. Williams moved that former employees of the staff of the Organization Committee be exempted from examination. After discussion the matter was laid on the table.

Communications with reference to the time of the Advisory Council meeting were considered and the Secretary of

the Board was instructed to advise distant members to await further information.

At the request of Mr. Williams, there was a general expression of opinion on the subject of issuing further emergency currency under the Aldrich-Vreeland law. The trend of opinion was distinctly adverse.

On motion, it was voted that the revised draft of proposed regulations regarding the duties of Federal Reserve Agents be sent to each such agent with information that the draft is tentative and it is desired to have it discussed and criticised.

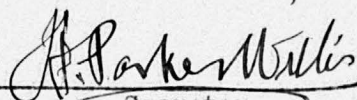
The method of adjusting telephone charges to members and employees of the Federal Reserve Board was discussed and referred to Messrs. Delano, Miller and Allen.

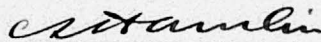
On motion Mr. C. C. Robinson was voted compensation of \$25.00 per day with actual expenses, not to exceed \$5.00 per day, including clerk hire and travelling expenses for 25 days' service in installing the accounting system in the several banks, prior to December 1st.

On motion, the question of photographs of the Board was referred to the Secretary of the Board.

On motion, at 5:30 p. m. the Board adjourned to meet at 3:00 p. m. Wednesday, December 9th.

APPROVED:


Secretary.



Chairman.