At a regular meeting of the Federal Reserve Board held in the office of the Board at 3:00 p.m. on Tuesday, December 22d

PRESENT:

Mr. McAdoo       Mr. Williams
Mr. Hamlin       Mr. Warburg
Mr. Delano       Mr. Harding

Mr. Miller.

The Secretary of the Treasury presided and Mr. Willis acted as secretary to the meeting.

The minutes of the preceding meeting were read and approved.

The Secretary of the Board presented a revised draft of the minutes of the meeting of October 24th containing an authorized statement by the Secretary of the Treasury with reference to his position regarding the opening of Federal Reserve banks and similar statements by members of the Board. After the reading of these minutes they were approved and ordered incorporated in the minute book at the proper place.

The question of exchange between Federal Reserve banks was taken up and a communication from the Counsel and letter from the American National Bank of Louisville,
as well as one from Governor Sawyer of the Federal Reserve Bank of Kansas City were referred to Mr. Harding, with the understanding that he would frame a motion relating to them for presentation to the Board.

A letter from Mr. William McC. Martin of the Federal Reserve Bank of St. Louis regarding collections by one Federal Reserve bank for another, was referred to a committee consisting of Mr. Warburg, the Counsel and the Secretary of the Board, with instructions to report a suitable method for conducting such collections.

On motion, certain questions relating to the meaning of the term "bills drawn in good faith against actually existing values" was referred to Counsel of the Board, with instructions to ascertain and report the state of the law thereon.

On motion, the question of reducing the bond of Assistant Reserve Agent Cramer, of the Federal Reserve Bank of Chicago, was referred to Mr. Delano, with power to act.

Certain forms prepared by the office of the Comptroller of the Currency for reporting the condition of National banks were presented to the Board and certain suggestions were made with reference to them. On motion, it was voted that they be sent in duplicate to Federal Reserve
banks with instructions to fill out both and mail one
to the Federal reserve agent of the district in which
such member bank was located, the cost of these extra
forms to be paid by the Federal Reserve Board.

The Comptroller of the Currency read to the
Board a letter with reference to making Federal Reserve
notes legal tender, from Senator Shafroth. A letter from
Senator Owen on the same subject was presented by the Secre-
tary. On motion, both letters were laid on the table.

The Secretary of the Board presented letters
proposing a salary of $4,000 for Deputy Reserve Agent
Lamont of Philadelphia, $12,000 for Secretary and Counsel
Curtis of New York, and $4,200 for Assistant Cashier Kenzel.

On motion, the proposed salary for Mr. Lamont was
referred to Counsel to ascertain whether there is legal
authority for the payment of a salary to Mr. Lamont at the
same time that he is bank commissioner of New Jersey. The
salaries of Mr. Curtis and Mr. Kanzel were approved.

The Secretary of the Board presented the facts
with reference to the Federal Reserve Bank of Minneapolis,
whose reports appeared to indicate the issue of reserve
notes without collateral. On motion, he was instructed to
write the Minneapolis Bank and make inquiry as to the facts.
A communication from Federal Reserve Agent Miller relative to the payment of reserves of delinquents was laid on the table pending the receipt of an opinion from the Counsel on the subject.

By unanimous consent the Board considered an article published in the Journal of Commerce, New York City, with reference to the clearing question. The Secretary of the Board was directed to ascertain the facts relative to conditions under which the article was prepared.

On motion, it was voted that standard form of approval for issues of Federal reserve notes be prepared by the Committee on Issue and Redemption, for presentation to the Board.

On motion, it was voted that when adjournment is taken on Wednesday, December 23d, it shall be until Monday morning, December 28th.

A letter from J. Z. Miller, Jr., Federal Reserve Agent at Kansas City, suggesting that the Federal Reserve agents should examine and sign circulars issued by Federal reserve banks was laid before the Board. The Secretary was directed to say to Mr. Miller that this seemed desirable and that he could probably make an arrangement such as he suggested with the Governor of his bank.
The question of adjusting increases and decreases in capital stock of member banks at the end of six months periods, raised by Federal Reserve Agent Perrin of San Francisco, was referred to Counsel.

Requests for an additional supply of Federal reserve notes from Mr. Ingle, Federal Reserve Agent at Richmond and Mr. Bosworth, Federal Reserve Agent at Chicago, were referred to the Committee on Issue and Redemption. A letter from Mr. Perrin, Federal Reserve Agent at San Francisco, asking if he could accept a deposit of $50,000 in national bank notes and forward the notes to Washington for redemption, receiving lawful money in return, either by shipment or transfer through the Subtreasury, was referred to the Secretary, he to consult with Assistant Secretary Malburn and prepare a reply for transmission to Mr. Perrin.

On motion, at 5:00 p.m. the Board adjourned to meet at 11:00 a.m. on Wednesday, December 23d.

APPROVED:

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Secretary.

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Chairman.