

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.00 a. m. on Friday, February 19,

## PRESENT:

Mr. Hamlin, presiding,            Mr. Warburg

Mr. Delano                            Mr. Harding

Mr. Williams                         Mr. Miller

Mr. Willis, Secretary.

The minutes of the afternoon meeting of Thursday, February 18th, were read and approved.

On motion the following rates of discount submitted by the Federal Reserve Bank of Minneapolis were approved.

## COMMERCIAL PAPER:

Maturities up to 30 days.....	4%
Maturities over 30 days and not over 60 days	4 $\frac{1}{2}$ %
Maturities over 60 days and not over 90 days	5%
Maturities over six months.....	5 $\frac{1}{2}$ %

## ACCEPTANCES:

Two to four per cent.

On motion the following rates of discount submitted by the Federal Reserve Bank of Philadelphia were approved:

## ACCEPTANCES:

Two to four per cent.

An application from the Federal Reserve Bank of New York for Federal Reserve notes, duly recommended by the Committee

On Issue and Redemption, was approved, as follows:

Five dollar notes .....\$1,000,000

Ten dollar notes..... 1,000,000

On motion it was voted that a committee shall at an early date examine into the question of branches and obtain counsel's opinion as to whether under the Federal Reserve Act rates at branches may differ from the rates at the home office of the Federal reserve bank of the district.

Mr. Warburg reported informally with reference to certain transactions in municipal warrants brought to the attention of the Board by the Division of Statistics. He stated that such warrants may be bought with the endorsement of a member bank but may not be discounted, and that they had been erroneously reported as discounts where in reality they were purchased.

An application from Federal Reserve Agent Bosworth to issue in the aggregate \$20,000,000 of Federal Reserve Notes at the Federal Reserve Bank of Chicago as occasion may demand was presented to the Board, and the Secretary was directed to find out the amount Mr. Bosworth has on hand and to report the same more fully to the Board at its next meeting.

On motion it was voted that the Committee on Issue and Redemption take up the question of obtaining an adequate

supply of notes to be kept on hand for each Federal reserve bank with the view to meeting possible emergencies.

On motion the compensation of Mr. J. P. Morgan as member of the Advisory Council from the New York district, fixed by the Federal Reserve Bank of New York at \$1,000 per annum, the same to cover salary and expenses, was approved.

A letter from Gov. Theodore Wold with reference to the adjustment of stock subscriptions of member banks on a quarterly basis was approved and the Secretary was directed to formulate a plan for putting the system into effect and to report the same back to the Board.

The Secretary was directed to reply to Mr. Waddy B. Wood, an architect, who had submitted certain sketches for a new building, expressing the thanks of the Board and returning the sketches.

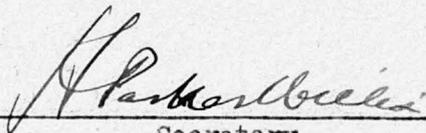
A plan for obtaining statistical reports of commercial conditions in the Federal reserve districts, recommended by the Division of Statistics, was approved.

Opinions of Counsel of the Board were presented and on motion an opinion relating to the interpretation of Section 5200 U. S. Revised Statutes (the ten per cent limita-

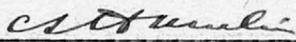
tion as applied to acceptances) was referred to the Governor of the Board, while an opinion relating to the waiver of demand, notice and protest was referred back to Counsel with the request that he confer further with Mr. Harding.

A letter from Federal Reserve Agent Jay regarding the substitution of gold for collateral was discussed and referred back to the Secretary with directions to answer in the same general way as previously adopted when other similar inquiries had been received.

On motion at 1.10 p. m. the Board adjourned to meet on Tuesday, February 23, at 11.00 a. m.

  
Secretary.

APPROVED:

  
Chairman.