

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.00 a. m. on Wednesday, February 24,

PRESENT:

Mr. Hamlin, presiding,	Mr. Harding
Mr. Delano	Mr. Miller
Mr. Williams	Mr. Willis, Secretary.

The minutes of the morning meeting of February 23d were read and approved.

After discussion of the question of recommending to Congress the extension of the Aldrich-Vreeland law, the matter was laid on the table pending the preparation of additional data.

A report submitted by Chief of Division Broderick relative to the acceptance of State bank examinations in lieu of direct examinations by the Federal Reserve Board was adopted.

A memorandum of Chief of Division Broderick, approved by Mr. Harding, relating to the transmission to State banks and trust companies of a copy of the memorandum regarding examinations of such institutions, approved by the Board on February 10, and also a copy of a letter addressed to each bank supervisor in regard to the examination of State institutions which have become members of the Federal Reserve system, was approved

and the Secretary of the Board was directed to transmit the information accordingly.

A draft of a letter stating the position of the Board with reference to the division of possible re-discounts between Federal reserve banks was referred to the Subcommittee on Discounts (Standing Committee #3).

The application of the Federal Reserve Bank of Cleveland for \$600,000 of Federal reserve notes, duly recommended by the Committee on Issue and Redemption, was approved, as follows:

Fifty dollar notes.....	\$200,000
Hundred dollar notes.....	400,000
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TOTAL.....	\$600,000

The application of the National Metropolitan Bank of Washington, D. C. for authority to exercise the powers of trustee, executor, etc., duly approved by the Federal Reserve Bank of Richmond, was ordered referred to Counsel for an opinion as to whether there is any legislation in the District of Columbia to prevent immediate approval of this application.

On motion applications for reduction of capital stock in Federal reserve banks prepared on the forms in use prior to the adoption of the present blanks, were ordered, on recommendation of Mr. Harding, approved, as follows:

Girard National Bank	Philadelphia, Pa.
Parkersburg National Bank	Parkersburg, Pa.
Union National Bank	Philadelphia, Pa.
Merchants National Bank	Jersey City, N. J.
First National Bank	Ballston Spa, N. J.

Application from the Maine Bankers Association for information as to the votes cast for Group 3, Class A director of the Federal Reserve Bank of Boston, by States, was laid on the table for the time being.

The Board discussed the form of stating the accounts of the Board under the new accounting regulations, and on motion it was voted that the Governor, Vice Governor and Mr. Harding be named a committee of three to consider the whole accounting matter in consultation with the proper persons and to report to the Board the policy considered best in the premises.

The question of publishing rates for acceptances at the Federal Reserve Bank of Philadelphia was laid on the table until the meeting of Thursday, February 25.

The Secretary of the Board presented a draft of a letter to Federal reserve agents relating to the quarterly adjustment of capital stock, and on motion the same was approved and ordered transmitted.

A letter from Federal Reserve Agent Curtiss relative to the exchange of collateral for gold was presented to the

Board, and on motion the Secretary was directed to inform Mr. Curtiss that the practice indicated in his letter of February 18 may continue until some other regulation is made.

The question of the endorsement of paper to Federal Reserve agents when such paper is offered as collateral security for Federal reserve notes was referred to Mr. Harding and Counsel to suggest an appropriate ruling.

A letter prepared by Federal Reserve Agent Martin describing the character of eligible paper was presented to the Board and the Secretary was instructed to write a letter to Mr. Martin approving his letter and requesting him to send a copy to each Federal reserve agent. It was also ordered that Mr. Martin's letter be copied and distributed to each member of the Federal Reserve Board.

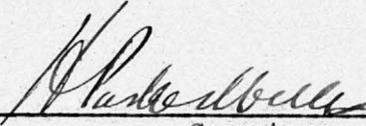
A letter in answer to a recent inquiry put by Mr. J. C. Coulston of Pasadena, California, was ordered referred to the Committee on Commercial Paper (Subcommittee B, Standing Committee #3) for consideration.

Mr. Williams reported the results of a conversation held with Assistant Secretary Malburn, stating that it was learned that about \$240,000,000 of Federal reserve notes could conveniently be prepared by the end of June, 1915. On motion

it was voted to ask the Comptroller of the Currency to proceed with the printing of Federal reserve notes at the rate of about \$3,500,000 per day up to a total, since the opening of the system of about \$500,000,000, the same representing approximately \$250,000,000 more than those ordered prior to the present time, the new notes to be in denominations and to be classified by Federal reserve banks in the manner approved by the Committee on Issue and Redemption.

On motion the application of the Federal Reserve Bank of Philadelphia for power to purchase New York City warrants in excess of the present 5% limit was approved, such excess, however, not to bring the total up to more than 6% under the existing regulations.

On motion at 12.40 p. m. the Board adjourned to meet at 11.00 a. m. on Thursday, February 25th.


Secretary.

APPROVED:


Chairman.