

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.00 a. m. on Monday, March 1,

PRESENT:

Mr. Hamlin, presiding, Mr. Harding

Mr. Williams Mr. Miller

Mr. Willis, Secretary.

The minutes of the afternoon meeting of Friday, February 26, were read and approved.

On motion it was voted that the designation of Chattanooga, Tennessee, as a reserve city should not become effective until the day following the next call for condition of national banks. Suitable notification to the Chattanooga banks to be prepared in conjunction with the Comptroller of the Currency.

A report prepared by Mr. Harding with reference to exchange charges at Beatrice, Nebraska, was read to the Board and referred to a committee to consist of Mr. Harding, the Comptroller of the Currency, and Counsel of the Board with power to act in the case. The Secretary was directed to communicate with Senator G. W. Norris and inform him of the fact that the Committee had been named.

A letter from the Comptroller of the Currency regarding the restriction of the exercise of the functions of executor, trustee, etc, to certain institutions was referred to the Committee on State Banks, which is already in charge of the definition of standards to be employed in selecting banks for the exercise of these powers.

On motion it was voted that the Secretary write to the Federal Reserve Bank of Richmond inquiring as to what action has been taken with reference to the establishment of the salary of the Governor of that bank, in accordance with suggestions of the Board heretofore made.

A letter from Eugen C. Andres Company of Boston, Mass, regarding the exportation of cotton, brought to the attention of the Board by Secretary of the Treasury McAdoo, was considered and on motion it was voted that the Secretary of the Board should write a reply stating that under the Federal Reserve Act it is not possible for Federal reserve banks to discount bills whose payment is conditioned upon the arrival of goods.

The question of rates of rediscount between Federal reserve banks was considered, and communications from Federal Reserve Agent Wellborn and others relative thereto were read to the Board; also the draft of a letter prepared by Mr. War-

burg relating to the same subject. After general discussion the final determination of the matter was set for the meeting of March 2d.

An application of the Federal Reserve Bank of Richmond for the issuance of Federal reserve notes was approved, as follows:

Tens.....	\$200,000
Twenties.....	240,000
Total.....	<u>\$440,000</u>

On the recommendation of Mr. Harding applications by national banks for stock in Federal reserve banks were approved, as follows:

Roundup National Bank	Roundup, Montana
Farmers & Merchants Nat'l. Bank	Lake City, S. C.
Citizens National Bank	Nampa, Idaho
First National Bank	Camas, Wash.
First National Bank	Green River, Wyo.
First National Bank	Frankfort, S. D.
Rockbridge National Bank	Lexington, Va.
Peoples National Bank	Lodi, Ohio.
National Bank of	Wyalusing, Pa.
First National Bank	Holly Hill, S. C.
Wall National Bank	Worden, Ill.
First National Bank	Gorham, Mo.
First National Bank	Talihina, Okla.

The application of the Citizens National Bank of Marysville, Kansas, for membership in the Federal reserve system, subject to the right to withdraw the subscription, was declined.

A communication from Assistant Secretary Malburn, addressed to Mr. Warburg, relative to the provision of vault

space in the Treasury, was read to the Board.

The Secretary of the Board presented the draft of a letter in answer to inquiries whether trust officers must be employed exclusively as such by national banks, stating that it was not necessary that they should be thus exclusively employed. On motion the draft of the letter was approved.

Mr. Williams requested that Chief of Division Broderick be directed to prepare a form of report to be used by national bank examiners in examining trust departments of national institutions allowed to exercise the functions of executor, trustee, etc. On motion this instruction was voted.

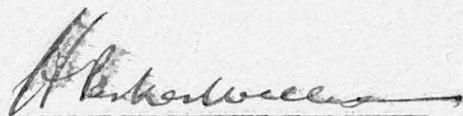
A letter defining what is meant by the term "private banker" was referred to the Governor for consideration and report.

A letter to Hon. James R. Mann, written by the Secretary of the Board in reply to inquiries as to the number of State institutions now members of the system and giving their names, was approved.

On motion it was voted that the Secretary of the Board be instructed to answer fully inquiries as to balloting for reserve bank directors, furnishing the information requested.

The Secretary of the Board presented a draft of a letter stating the situation as to exchange charges on Canada, and on motion this letter was approved.

On motion at 12.45 p. m. the Board adjourned to meet at 11.00 a. m. on Tuesday, March 2d.



Secretary.

APPROVED:



Chairman.