

At a regular meeting of the Federal Reserve Board, held in the office of the Board at 11.15 a. m. on Monday, March 8,

PRESENT:

Mr. Delano, presiding, Mr. Harding

Mr. Warburg Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of 11.15 a. m. Friday, March 7th, were read and approved. A report prepared by Mr. Harding with reference to rediscounts between Federal reserve banks, and the rediscount situation in the Southern states generally, was presented and read to the Board. On motion, the general ideas of the report as to the policy to be pursued, were approved.

On motion, the question of a discount rate between Federal reserve banks, was made a special order for Tuesday March 9th, the same to be presented, if possible at a full meeting of the Board.

An application for Federal reserve notes for the Federal Reserve Bank of Richmond, recommended by the Committee on Issue and Redemption, was approved, as follows:

Fifty dollar notes\$200,000

On motion, an application of the Federal Reserve Bank of Atlanta for \$1,200,000 of Federal reserve notes, recom-

mended by the Committee on Issue and Redemption, was approved, as follows:

Fifty dollar notes\$800,000

One hundred dollar notes..400,000

The general question of policy to be pursued with reference to Federal Reserve bank notes was taken up for discussion, and the attention of the Board was called to the fact that a number of applications for such notes and for the engraving of plates therefor, were coming in. On motion, it was voted to ask the Committee on Legal Matters to act as soon as possible with reference to the general policy to be pursued by the Board and by the Committee on Issue and Redemption acting for the Board, in regard to the issue of such notes.

// A letter from the National Park Bank, making inquiry about its power to accept bills arising from trade between two foreign countries, was read to the Board, and on motion the letter and opinion of Counsel relating thereto was ordered placed on the Calendar for Tuesday, March 9th. //

Mr. Warburg presented to the Board the question of permitting Counsel for the Federal Reserve Board to

correspond on pending legal matters with Counsel of the Federal reserve banks. On motion, Mr. Warburg was requested to draft a memorandum outlining the policy to be pursued by the Board in regard to this matter.

The Secretary of the Board presented a report received from Federal Reserve Agent Martin, regarding the action of the United States National Bank of Owensboro, Ky. On motion, the Secretary was directed to transmit a reply to the Comptroller's Office through which the inquiry originated.

The question of a form of permit for the exercise of functions of trustee, executor, etc., the same to be used for transmission to member banks in lieu of the application which is now returned to such banks after being approved, was referred to Mr. Harding for report.

Communications from Federal Reserve Agent Ingle, relating to the method of dealing with such applications in Richmond, were also referred to Mr. Harding.

A letter from Governor Strong, regarding the executor and trusteeship situation in New York, was referred to Mr. Harding.

A letter from Federal Reserve Agent Ingle, transmitting resolution of the Board of Directors relative to the salary of the Governor of the Bank of Richmond, was presented

to the Board, and on motion it was voted that the Board will not, for the present at least, reconsider its former action in fixing the salary of the Governor.

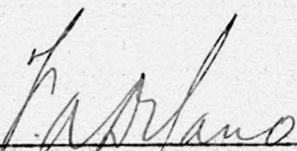
Several letters from Federal reserve agents regarding the clearing question, indicating a decision to postpone the subject until after the approaching conference of Governors in Washington, were presented to the Board.

A letter from Federal Reserve Agent Miller, of Kansas City, regarding the special examination of member banks in the Kansas City district, was presented to the Board, and it was voted to send a reply along the lines suggested by Mr. Broderick.

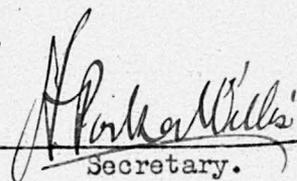
Mr. Warburg read the draft of a letter to Sherman & Sterling of New York, Counsel for the National City Bank, relative to the rectification of the application of the City Bank for the establishment of branches in the West Indies. On motion, Mr. Williams not voting, Mr. Warburg was authorized to send the letter.

On motion, at 1:00 p. m. the Board adjourned to meet at 11:00 a. m. Tuesday, March 9th.

APPROVED:



 Chairman.



 Secretary.