At a regular meeting of the Federal Reserve Board held in the office of the Governor at 11:00 a.m. on Friday, July 23,

PRESENT:

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

The minutes of the meeting of the Board of Wednesday, July 21, were read and approved.

The minutes of the meeting of the Executive Committee of Thursday, July 22, were read and approved, and the action of the Committee ratified.

On motion applications for the surrender of stock in Federal reserve banks, duly recommended by Mr. Harding, were approved as follows:

- Kalispell National Bank, Kalispell, Montana
- First National Bank, Alamogordo, N. Mexico

On motion applications for power to exercise the functions of trustee, executor, etc., duly recommended by the Committee on State Banks, were approved as follows:

- First National Bank, Colorado Springs, Colo.
- National Exchange Bank, Steubenville, Ohio.
- Yale National Bank, New Haven, Conn.
- Citizens National Bank, Urbana, Ohio.
First National Bank
National Bank of Commerce
Southwork National Bank
Northampton National Bank
First National Bank
Annville National Bank
Jenkentown National Bank
First National Bank
First National Bank
First National Bank
First National Bank
Merchants National Bank
Essex County Nat'l. Bank
American Exchange Nat'l Bank
Irving National Bank
First National Bank
First National Bank
First National Bank
First National Bank
First National Bank
Franklin National Bank
Cheyenne, Wyo.
Fort Worth, Texas
Northampton, Mass.
Newville, Pa.
Lyons, Nebraska
Huntington, Pa.
Newark, N. J.
Newark, N. J.
New York
New York
Trenton, N. J.
Hoboken, N. J.
Johnstown, Pa.
Fonda, Iowa
Franklin, Ind.

On motion, upon the recommendation of the Committee on State Banks, the following applications of national banks to exercise the functions of executor, trustee, etc., were placed on the suspended list:

First National Bank
Mt. Sterling National Bank
Collin County Nat'l Bank
First National Bank
First National Bank
Central National Bank
Greylock National Bank
First National Bank
First National Bank
State National Bank
First National Bank
First National Bank
Seattle National Bank
Exchange National
First National Bank
Bucyrus, O.
Mt. Sterling, Ky.
McKinney, Tex.
Galveston, Tex.
Idaho Springs, Colo.
St. Petersburg, Fl.
Adams, Mass.
Ft. Collins, Colo.
Boone, Iowa.
Bloomington, Ia.
Montrose, Pa.
Seattle, Wash.
Seattle, Wash.
Seattle, Wash.
Hoquiam, Wash.
On motion applications of national banks to exercise the functions of trustee, executor, etc., were declined as follows:

- National Bank of
- First National Bank
- American National Bank

- Waupun, Wis.
- Wichita Falls, Tex.
- Nashville, Tenn.

After discussion it was voted that the general letter recently sent out by the Board with reference to its policy on the exercise of trustee and executor powers, should not be printed in the forthcoming number of the Federal Reserve Bulletin.

On motion a letter to Mr. F. G. Lee, president of the Broadway Trust Company, describing the Board's policy with respect to the establishment of branches by State member banks in the future, was approved and ordered transmitted. The Secretary was directed to send a similar letter to the Old Colony Trust Company of Boston, although it was understood that under existing law, no further branches can be established by the Old Colony Trust Company. It was informally understood that in future cases where State banks are admitted to the Federal reserve system, the same con-
ditions shall be laid down in every instance.

The Secretary of the Board presented an opinion of Counsel with reference to the placing of revenue stamps upon acceptances, and, on motion, the opinion was approved with the instruction that it should not be published. The Secretary was further instructed to write to Federal Reserve Agent Ingle, who had originally raised the point, and say to him that, in the judgment of the Board, he ought not to discount paper unless such paper corresponds to all the requirements of law. Mr. Harding was appointed a special committee to consult with the Commissioner of Internal Revenue and to ascertain from him his views with respect to the conditions under which paper presented for rediscount at Federal reserve banks must bear revenue stamps in order to comply with the letter of the law.

The Secretary of the Board presented an opinion of Counsel with reference to the interpretation of the Clayton Act as applied to the simultaneous membership of directors upon two boards, the same being in connection with the inquiry of the Old National Bank of Spokane, Washington, which had been referred to the Board. It was directed that the opinion be published in the Federal Reserve Bulletin if
Counsel sees no objection.

Similar action was taken with respect to a letter addressed to Arthur Adams, Esq., on condition that the matter be brought to the attention of Counsel for an expression of his opinion.

Mr. Harding having received an explanation from Governor McCord of Atlanta relative to the discounting of demand paper, and the Secretary having read a communication from Governor McCord, the letter was noted and ordered filed.

Letters received by Mr. Harding regarding the controversy between the Dallas and Kansas City Reserve Banks, were read, and, on motion, it was voted that the Secretary prepare a letter to the two banks following the general lines of a draft furnished by Mr. Delano, and calling upon them to terminate the controversy at as early a date as practicable.

The Secretary was also directed to obtain rates for the transportation of gold certificates between Dallas, Kansas City and New Orleans.

The Committee on State Banks recommended the admission of the Fidelity Trust Company of Kansas City, Mo. After discussion the recommendation was referred back to
The Committee.

The Board discussed the draft of a letter to Governor Strong of New York with reference to the question of lines of acceptance credit. No action was taken.

Mr. Delano and Mr. Harding for the Committee on Staff, recommended that the salary of Deputy Federal Reserve Agent Claud Gatch recommended by the Federal Reserve Bank of San Francisco, namely, $2,500 per annum, additional to his salary as examiner, be approved. The recommendation was carried.

On motion applications for the surrender and allotment of stock in Federal reserve banks, were approved as follows:

KANSAS CITY AND DALLAS

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>City, State</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oklahoma National Bank</td>
<td>Chickasha, Okla.</td>
<td>75</td>
</tr>
<tr>
<td>Keota National Bank</td>
<td>Keota, Okla.</td>
<td>18</td>
</tr>
<tr>
<td>Southern National Bank</td>
<td>Wynnewood, Okla.</td>
<td>48</td>
</tr>
</tbody>
</table>

PHILADELPHIA AND NEW YORK

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>City, State</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>First National Bank</td>
<td>Eatontown, N. J.</td>
<td>20</td>
</tr>
<tr>
<td>Nat'l. Freehold Banking Co.</td>
<td>Freehold, N. J.</td>
<td>60</td>
</tr>
<tr>
<td>Peoples National Bank</td>
<td>Keyport, N. J.</td>
<td>36</td>
</tr>
<tr>
<td>Second National Bank</td>
<td>Phillipsburg, N. J.</td>
<td>90</td>
</tr>
</tbody>
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On motion at 1:40 p.m. the Board adjourned to meet at 3:00 p.m. this day.

APPROVED:

Chairman.

Secretary.