

At an informal conference of the Federal Reserve Board held in the Directors' Room of the Federal Reserve Bank of New York at 3.00 p. m. on Tuesday, August 10, 1915,

PRESENT:

Mr. Hamlin, presiding,	Mr. Harding (until 3:30 p.m.)
Mr. Williams	Mr. Miller
Mr. Warburg	Mr. Willis, Secretary.

Discussion of the question of lines of acceptance credit was resumed, Governor Strong conferring by invitation with the Board.

Governor Strong described the type of transactions involved in a proposed credit of \$20,000,000 shortly to be opened with American banks by French banking interests. Discussion ensued and Governor Strong stated that it was his view that the proposed acceptances would be subject to renewal up to a period of a year and would be so subject without reference to the question whether the documents accompanying the exported goods representing the credit had or had not been delivered prior to renewal.

Question arising as to whether this type of transaction would be permissible under the terms of the

Board's letter ratified at the morning session it was finally agreed that they should be held to be so permissible, but that the question whether the drafts drawn under the terms of the French agreement would or would not be eligible for rediscount at Federal reserve banks, had not in any way been passed upon, and must be regarded as an open question subject to the restrictions in effect. All members present concurred in this interpretation and Governor Strong was so informed.

The form of a press statement relative to the Board's meeting was approved. //

On motion at 6.00 p. m. the Board adjourned to meet subject to call of the Chair.

H. P. McCallie
Secretary.

APPROVED:

W. H. C. Smith
Chairman.