

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:15 a. m. Wednesday, September 22,

PRESENT:

Mr. Hamlin, presiding Mr. Warburg

Mr. Williams Mr. Harding

Mr. Willis, Secretary.

The minutes of the meeting of September 21, were read and approved.

On motion the application of the Federal Reserve Bank of Cleveland for power to purchase municipal warrants up to one hundred per cent. of the new issue, shortly to be put out by the City of Cleveland, was ordered and the Secretary directed to notify the Cleveland Bank to that effect.

On motion the request of the Federal Reserve Bank of Richmond for an additional printing of reserve notes, aggregating one million dollars in 20 dollar denominations was approved.

Opinions of counsel previously distributed to members of the Board were taken under consideration and on motion it was voted to approve the publication of

that relating to taxation of Federal reserve banks;
 that relating to the holding of Federal reserve notes,
 as State bank reserve; and that relating to the making
 of statements by member banks.

A memorandum prepared by Counsel in the form
 of a letter to Assistant Attorney General Warren was
 received and placed on file.

A letter from Honorable J. H. Lewis was read
 to the Board and the Secretary directed to reply saying
 that copies thereof had been referred to the Comptroller
 of the Currency and the Secretary of the Treasury.

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

DISTRICT No. 1.		Shares.
	Lyndonville National Bank Lyndonville, Vt.	1
	New Haven Bank, N. B. A. New Haven, Conn.	942
DISTRICT No. 6.		
	First National Bank Panama City, Fla.	13
	First National Bank Gallatin, Tenn.	6
DISTRICT No. 7.		
	First National Bank Woodbine, Iowa.	3
	First National Bank Mapleton, Iowa.	1
	First National Bank Audubon, Iowa	15
	Lowell National Bank Lowell, Ind.	3
	Merchants National Bank LaFayette, Iowa.	6

First National Bank-	Cayuga, Ind.	1
Commercial National Bank	Madison, Wis.	1

DISTRICT No. 8.

First National Bank	W. Frankfort, Ill.	2
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DISTRICT No. 9.

Citizens National Bank	Green Bay, Wis.	60
Commercial National Bank	Great Falls, Mont.	3

DISTRICT No. 10.

Coldwater National Bank	Coldwater, Kans.	12
Park National Bank	Kansas City, Mo.	1
First National Bank	Washington, Okla.	1
State National Bank	Heavener, Okla.	2
Calvin National Bank	Calvin, Okla.	1

DISTRICT No. 11.

Security National Bank	Caddo, Okla.	1
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On motion applications for the issue of Federal Reserve notes duly recommended by the Committee on Issue and Redemption were approved as follows:

Federal Reserve Bank of Cleveland \$800,000

in denominations as follows:

\$5 denominations	\$200,000
10 "	200,000
20 "	400,000

Federal Reserve Bank of Atlanta \$1,500,000

in denominations as follows:

\$5 denominations	\$700,000
10 "	400,000
20 "	400,000

A letter from Federal Reserve Agent Wellborn enclosing a communication from Mr. Marcus B. Walker, relative to conditions at the New Orleans branch were read and ordered filed.

A letter from the Federal Reserve Bank of Cleveland making inquiry concerning the general policy to be adopted by the Board with respect to the purchase of municipal warrants bearing the endorsement of a member bank was read and the Board on motion referred same to counsel.

The Secretary of the Board having presented letters relating to the establishment of "Commodity" rates by Federal reserve banks, the same being transmitted by the banks of Cleveland, Kansas City and Chicago, they were tabled pending further discussion of the whole subject.

A letter from Mr. John H. Rich discussing the question of commodity rates with special reference to recent interviews said to have been given by United States Treasurer, John Burke, was read to the Board and on motion laid on the table pending the return of Mr. Delano.

On motion the following applications for fiduciary powers were, upon recommendation of the Committee on State Banks, placed on the suspended list.

Quaker City National Bank, Philadelphia, Pa.
Texas City National Bank, Texas City, Texas.

The resignation of Mr. Asa A. Ramsey, Deputy Federal Reserve Agent at Kansas City, was laid before the Board. After discussion it was agreed that the Governor wire Federal Reserve Agent Miller for confidential information as to the situation leading up to this resignation.

Mr. Warburg, to whom the matter had been referred, reported favorably with reference to granting the First National Bank of Baltimore power to accept up to one hundred per cent of its capital and surplus. On motion the permission was granted.

Certain correspondence relating to paper made by Armour & Company of Chicago was ordered referred to Federal Reserve Agent Bosworth at Chicago for further comment.

A request from Chief of Division Broderick for the last examiner's report of the City National

Bank of Belfast, Maine, having been presented to the Board, it was agreed that Mr. Broderick be supplied with the report desired in order to enable him to advise further.

The Secretary of the Board called attention to the unwillingness of the Settling Agent to receive gold and lawful money in addition to gold certificates as provided in the proposed form of the Gold Settlement Plan for Federal reserve agents and after discussion was authorized to strike out all words granting authority for the receipt of any funds other than order gold certificates by the Settling Agent or Deputy Settling Agent.

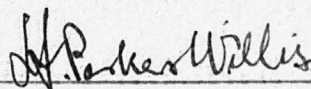
A letter from Assistant Secretary Malburn, requesting that the Board assume responsibility for the payment for certain members of the Treasury staff engaged in caring for Federal reserve notes was ordered referred to Mr. Delano as Chairman of the Committee on staff.

A letter from Assistant Secretary Malburn, relative to the question of refunding 2% bonds was referred to Mr. Warburg.

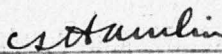
The Secretary of the Board having presented a letter from Mr. Lyn P. Talley, Cashier, of the Federal Reserve Bank of Dallas relative to the policy of transfers under the Gold Settlement Fund, same was referred to Mr. Warburg for report.

The Board received Mr. D. C. Wills, Federal Reserve Agent at Cleveland, in informal conference.

On motion the Board adjourned at 1:00 p. m. to meet Thursday, September 23, at 11:00 a. m.


Secretary.

APPROVED:


Chairman.