

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:00 a. m. on Monday, October 18,

PRESENT:

Mr. Hamlin, presiding	Mr. Warburg
Mr. Delano	Mr. Miller
Mr. Harding	Mr. Willis, Secretary.

The minutes of the meeting of October 15, were read and approved.

The question of access to reports made by national bank examiners concerning the condition of member banks was informally discussed.

On motion it was voted that during the approaching absence of Mr. Warburg and Mr. Harding on their visit to Minneapolis, Mr. Miller act in place of Mr. Warburg, as a member of the Committee of Audit and Examination.

On motion upon the report of the Committee on State banks without recommendation the application of the First National Bank of Harrisburg, Oregon, for fiduciary powers was approved.

On motion upon the recommendation of Mr. Harding the following application for stock in the Federal

Reserve Bank of Atlanta was approved:

Farmers National Bank Shelbyville, Tennessee,
69 shares.

On motion upon the recommendation of Mr.
Harding the following applications for the surrender
of stock in Federal reserve banks were approved:

DISTRICT No. 2. Shares.

Union National Bank Frenchtown, N. J. 6

DISTRICT No. 3.

First National Bank Schaefferstown, Pa. 4

DISTRICT No. 4.

Farmers & Merchants Nat'l Bank Rockwood, Pa. 1

DISTRICT No. 8

American-Southern Nat'l Bank Louisville, Ky. 108

On motion, the recommendation of the Division
of Audit and Examination that the reports of the State
Banking Department of Michigan be accepted with refer-
ence to the Commercial and Savings Bank of Albion, Mich-
igan, under the usual conditions was approved.

Mr. Warburg reported favorably to the proposed
order authorizing the establishment of branches and sub-

branches of the National City Bank in Chile, and on motion the order was approved and the Secretary directed to enter it on the minutes of the Board as follows:

FEDERAL RESERVE BOARD.
UNITED STATES OF AMERICA.

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In the Matter of the Application :

- of -

: APPLICATION .

THE NATIONAL CITY BANK OF NEW YORK. :
for leave to open a Branch in the
Republic of Chile, with its main :
office in the City of Valparaiso. :
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TO THE FEDERAL RESERVE BOARD:

The Application of The National City Bank of New York respectfully shows:

I. Your Petitioner is a corporation organized and existing under the National Bank Act of the United States, having its principal office and place of business at No. 55 Wall Street, Borough of Manhattan, New York City, and having an authorized and issued capital of Twenty-five million Dollars, (\$25,000,000); and it has duly signified in writing its acceptance of the terms and provisions of the Federal Reserve Act, approved December 23, 1913, in accordance with Section 2 of the said Federal Reserve Act.

II. Your Petitioner desires to open a Branch for the conduct of your Petitioner's foreign business in

the Republic of Chile, with a main office in the City of Valparaiso. Your Petitioner's Board of Directors has heretofore set aside for the conduct of your Petitioner's foreign business in the Republic of Chile, the sum of One million Dollars (\$1,000,000).

III. It will probably be necessary also, in order to provide adequate banking facilities for the various portions of Chile, to establish sub-branches, agencies or offices in the Cities of Antofagasta and Santiago, Republic of Chile. At each of these places and at other places in Chile there are considerable American business interests which should be served by the said Chile Branch.

IV. It will be impossible to foretell how much capital will be required at any one of these sub-branches, agencies or offices. The amount of capital required at each of these sub-branches, agencies or offices will undoubtedly vary from time to time in accordance with local industrial and commercial conditions. For this reason, it would not be advisable to allot a specific amount of capital to each of these offices. Your Petitioner accordingly desires that the said sum of One million Dollars (\$1,000,000), set aside as aforesaid, be treated as set aside by your Petitioner for the conduct of its banking operations in the Republic of Chile, with the main Branch at Valparaiso, Republic of Chile.

WHEREFORE, Your Petitioner prays for an order authorizing your Petitioner to establish the said Chile Branch, with the main office in the City of Valparaiso, Republic of Chile, and with sub-branches, agencies or offices of the said Branch at Antofagasta and Santiago, Chile, or at either of the said places.

THE NATIONAL CITY BANK OF NEW YORK.

By

F. A. VANDERLIP,

President.

Attest:

G. E. GREGORY,

Cashier.

The Secretary of the Board read a letter of Federal Reserve Agent Wills, of Cleveland, inquiring about the rate to be established for open market operations under the Board's recent letter. The letter of Mr. Wills was noted, and on motion, laid on the table for the time being.

Mr. Harding stated to the Board the substance of reports which he had received concerning the purchase of State of Georgia warrants said to be contemplated by the Federal Reserve Bank of Atlanta. After discussion the Secretary was directed to telegraph to Federal Reserve Agent Wellborn and Examiner Broderick indicating to both that any purchase of warrants must comply with Regulation F, as well as with Section 14, and asking Mr. Broderick for additional information. The Secretary submitted drafts of the proposed telegrams and the same were approved and ordered sent.

On motion the purchase of warrants of the village of Wapakoneta, Ohio, made by the Federal Reserve Bank of Cleveland, notwithstanding the population of the place in question was not up to standard

set by Regulation F, was approved.

On motion the purchase of warrants in the cities of Eau Claire, Wisconsin and Bloomington, Illinois, made by the Federal Reserve Bank of Chicago were approved.

The Secretary of the Board read a letter from the Federal Reserve Bank of Chicago in explanation of the bill for legal fees lately settled by that bank. The letter was informally discussed and laid on the table pending further investigation.

The Secretary of the Board presented certain papers relating to vault conditions at Philadelphia and the same were referred to Mr. Warburg for informal investigation.

A memorandum with reference to the advertising of the Badger State Bank of Milwaukee, Wisconsin, transmitted by the Comptroller of the Currency was ordered referred to the Federal Reserve Bank of Chicago for inquiry and report, the Comptroller to be advised of the fact.

On motion at 12:15 p. m. the Board adjourned

to meet on Tuesday, October 19, at 11:00 a. m.

J. P. Kerwell

Secretary.

APPROVED:

C. St. Aubin

Chairman.