

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:00 a. m., on Friday, November 12,

PRESENT:

Mr. Hamlin, presiding Mr. Warburg

Mr. Delano Mr. Harding

Mr. Williams Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of Thursday, November 11, were read and approved.

On motion it was voted that the Secretary should gather all correspondence relating to the recent commodity loan circular, and circulate the folder containing the said correspondence among the members of the Board.

The Secretary of the Board presented a report from Mr. Warburg relating to the by-laws of the Federal Reserve Bank of New York, approving of the same. The report was adopted and ordered filed.

The Secretary of the Board submitted a

descriptive digest of business now pending before committees, which was reviewed by the Board, corrected and adopted as the basis of further work.

A report from Mr. Warburg as chairman of the special committee on acceptance grants, recommending that the Mechanics & Metals National Bank of New York be granted authority to accept bills growing out of commercial transactions involving the importation and exportation of goods, up to the amount of capital and surplus, was presented to the Board, and on motion approved.

A report from Mr. Warburg, as chairman of the sub-committee on commercial paper, to whom had been referred a form of statement presented by J. B. Moors & Company of Boston, as a basis for the purchase of acceptances by Federal reserve banks, approving of the Moors' statement form, was presented to the Board, and on motion approved.

Letters submitted by the Comptroller of the Currency on the subject of high interest rates in Iowa and Oregon, which had been referred to Mr. War-

burg as chairman of the sub-committee on commercial paper, were reported back by him recommending that they be sent to the appropriate Federal reserve agents for investigation.

Informal discussion of the question of supplying notes for the use of the Federal Reserve Bank Branch at New Orleans ensued. Mr. Miller moved that the Committee on Issue and Redemption be granted power to proceed to arrange the New Orleans note matter as early as possible with the Treasury Department. The motion prevailed.

An application from the Federal Reserve Bank of Dallas for the establishment of a discount rate of 4% for commercial paper up to 90 days and $4\frac{1}{2}\%$ for longer maturities, was approved.

Mr. Warburg, on behalf of the sub-committee on commercial paper, reported in favor of sending a letter received from John M. Harper & Company, regarding the financing of hides and skins from India, to Governor Strong of New York for such suggestions as he might be able to make. The report was adopted.

Mr. Warburg read to the Board a letter received from Federal Reserve Agent Jay regarding the question of dispensing with statements of private banking firms engaged in the business of accepting, and requesting a modification of Regulation R accordingly. General discussion ensued, and on motion it was voted that consideration of the subject be placed in the hands of a special committee consisting of Mr. Warburg and Mr. Miller with instructions to formulate a question relating to the subject, for the purpose of referring the same to the Federal Advisory Council at its approaching meeting.

On motion at 12:30 p. m. the Board adjourned to meet on Monday, November 15, at 11:00 a. m.


Secretary.

APPROVED:



Chairman.