

At a meeting of the Federal Reserve Board held in the office of the Board at 11:00 a. m. on Saturday, December 4,

PRESENT:

Mr. Hamlin, presiding Mr. Williams

Mr. Delano Mr. Warburg

Mr. Harding

Mr. Allen, Assistant Secretary.

Mr. Harding, by unanimous consent, stated that he was requested by the Secretary of the Treasury, who had an engagement in Charleston on December 13, to ask that the special order for the discussion of the policy of the Board as to Deputy Federal reserve agents be advanced from December 13, to Wednesday, December 15. This was agreed to.

There was discussion of the draft of the letter submitting to the Attorney General certain questions in connection with the powers of the Board with relation to clearings and collections, and the matter was referred to Mr. Warburg to take up with Counsel for the Board.

// Circular No. 20 and Regulation T, dealing with general open market operations was presented in revised page proof and approved, with corrections, to be dated December 4, 1915. //

The request of Pierre Jay, Federal Reserve Agent at New York for \$1,800,000 in Federal reserve notes, recommended by the Committee on Issue and Redemption, was approved as follows:

\$5 denominations	\$1,000,000.
100 " "	800,000

The Board passed over the call of committees.

Correspondence relative to the postponement of the meeting of the Governors of Federal reserve banks in Washington from December 15 to a date in January was submitted. It was agreed that Mr. Warburg should reply to J. F. Curtis, Secretary, that it would be more agreeable to the Board to have the Governors Executive Committee come to Washington on December 16 that on the 15th if the change of date was practicable. Mr. Warburg stated in this connection that Governor Strong and Director Woodward of

the Federal Reserve Bank of New York would come to Washington on Tuesday, December 7, to discuss with members of the Board the provisions of the Clayton Anti-trust Act.

Governor Hamlin presented correspondence in connection with an inquiry from Henry Buist of Buist and Buist, No. 30 Broad Street, Charleston, South Carolina, as to farm land loans and it was directed that the question with the file be submitted to Mr. J. P. Cotton for an opinion.

A telegram from Festus J. Wade, President, Mercantile Trust Company of St. Louis, protesting against the possible elimination of the vote of the elector of that Company for Class "B" Director in the Federal Reserve Bank of St. Louis was read and the Secretary directed to write to Federal Reserve Agent Martin and Mr. Wade that previous instructions in the matter of election of directors in which the details were left to the banks should be followed.

A letter to the Pompeian Company, Baltimore

Maryland, on the matter of opening foreign credit accounts to finance foreign importation was read and corrected and ordered to be sent.

A letter from the Financial Correspondent of the London Times, requesting that Mr. Willis prepare an article covering the important developments of the year 1915 in the operation of the Federal reserve system, was read and it was agreed that permission should be given to prepare the article, but unofficially, and the proposed statement to be submitted to the Federal Reserve Board for its approval.

The application for transfer of 60 shares of stock held by the Warren County National Bank of Belvidere, New Jersey, from the Federal Reserve Bank of Philadelphia to the Federal Reserve Bank of New York, recommended by Mr. Harding, was approved.

A letter from Federal Reserve Agent Ingle, asking if gifts to employees of a Federal reserve bank at the end of the year would be sanctioned by the Board was referred to the Law Committee.

Reports showing that no changes in discount

rates were desired by the Federal Reserve banks were presented to the Board.

The inquiry of Federal Reserve Agent Miller of Kansas City as to the power of a Federal reserve bank to issue certificates of deposit against gold was referred to the Law Committee.

A letter from Federal Reserve Agent Tension of Dallas, dated November 15, asking as to the policy of the Board with regard to the payment by Federal reserve banks of dividends was referred to the Committee on Operations of Federal Reserve Banks.

The Board approved a letter to Benjamin Strong, Governor of the Federal Reserve Bank of New York, approving a service charge of $1/8$ per cent by banks in making investment purchases for other Federal reserve banks and ordered it to be sent.

It was agreed that the Committee on Redistricting should, when prepared to do so, file its supplementary report as of December 4, 1915.

Mr. Williams moved that the report of the Committee on Redistricting be received and that the Committee be requested to lay before the Board the data which it had therein offered to supply. This motion was seconded by Governor Hamlin but not put to vote, it being understood that it should stand without disposition for the present. Mr. Delano moved that the matter of redistricting remain open until the return of Mr. Harding and himself from their trip to New Orleans and Atlanta. This motion was carried, Mr. Harding voting "no" and requesting to be so recorded.

A letter from Federal Reserve Agent Curtiss of Boston relative to the request made upon the Old Colony Trust Company of Boston that it file a report to the Comptroller of the Currency on the blanks sent out by that office instead of filing a copy of its report made to the State authorities, was referred to Mr. Warburg for reply.

A letter asking Federal reserve agents to report on the effect of various classes of loans in their districts was authorized.

On motion of Mr. Williams, Governor Hamlin was authorized to attend a meeting of the directors of the Federal Reserve Bank of Boston, his expenses to be paid by the Federal Reserve Board.

On motion at 12:55 p. m. the Board adjourned.

Secretary.

APPROVED:

Chairman.