

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Board at 11:00 a. m. on Wednesday, December 8,

PRESENT:

Mr. Hamlin, presiding Mr. Miller

Mr. Warburg Mr. Willis, Secretary.

Applications for power to exercise the functions of trustee, executor, etc., were disposed of, upon the recommendation of the Committee on Member and State Banks, as follows:

Held up:

First National Bank, Bryant, S. Dak.
First National Bank, Hoquiam, Washington.

Refused:

First National Bank, Red Oak, Iowa.
First National Bank, American Falls, Idaho.

Granted:

First National Bank, Seattle, Washington.
First National Bank, Galveston, Texas.

A plan prepared by Mr. W. M. Persons, and submitted by Labor Commissioner Meeker, with reference to the preparation of a "business barometer," was or-

dered returned to Mr. Meeker with thanks, and with the statement that the Board would be unable to provide funds for it.

On motion, upon the recommendation of Mr. Warburg, the application of the Merchants-Mechanics National Bank of Baltimore, Maryland, for power to accept bills of exchange growing out of importations and exportations up to 100% of its capital and surplus, was approved.

A report submitted by Mr. Warburg proposing a draft of a letter to be sent to Governor Van Zandt of Dallas respecting the question of acceptances against cotton exports, in reply to an inquiry from Governor Van Zandt, dated December 1, was approved.

A report from Mr. Warburg proposing a draft of a letter to Governor Rhoads of Philadelphia, respecting the prices at which bonds are to be carried on the books of reserve banks, was approved, and the letter ordered transmitted accordingly.

The Secretary of the Board presented a report of the Committee of Governors and Reserve Agents

which recently audited the Gold Settlement Fund.

The report was received and ordered filed.

On motion it was voted to inquire of Counsel as to the extent of the liability of the Board as to:

(1) The Gold Settlement Fund.

(2) The Reserve Agents' Fund.

A telegram from Federal Reserve Agent Tenison, respecting the appointment of a deputy Federal reserve agent at Dallas, was read and the Secretary directed to say that the matter is under consideration.

Mr. Hamlin circulated a draft of a letter to Mr. O. V. Appel regarding the interpretation of the Clayton Act. The letter was approved and ordered sent.

The Governor of the Board submitted a draft of a letter to the Attorney General of the United States relating to the power of the Board in the matter of clearing. The letter was discussed but no action taken.

The Secretary of the Board called attention to a communication from the executive committee of

Governors as to the time of their meeting in Washington, and was directed to say that December 16 would be the most convenient date for the meeting.

The Secretary of the Board read a letter from Federal Reserve Agent Ingle respecting the laundering of Federal reserve notes. It was informally agreed that the Board had no objection to such laundering, and the Secretary was directed to advise Mr. Ingle of the cost.

On motion at 12:40 p. m. the Committee adjourned to meet on Friday, December 10, at 11 a. m.

H. Parker Willis
Secretary.

APPROVED:

C. H. Franklin
Chairman.