

At an adjourned meeting of the Federal Reserve Board held in the office of the Board at 3:15 p. m. on Thursday, January 6,

PRESENT:

Mr. McAdoo, presiding Mr. Williams

Mr. Hamlin Mr. Warburg

Mr. Delano Mr. Harding

Mr. Miller

Mr. Willis, Secretary.

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 Boston, \$3,020,000

as follows:

\$5 denomination	\$1,500,000
10 "	1,520,000

Federal Reserve Bank of Cleveland, \$400,000

as follows:

\$5 denomination	\$200,000
10 "	200,000

A report presented by Mr. Warburg relative

to the question of bankers' acceptances protected by chattel mortgage on cattle, and approving the purchase of such acceptances by the Federal Reserve Bank of St. Louis, was presented to the Board, and on motion approved, the Secretary being directed to so notify the Federal Reserve Bank of St. Louis.

The Secretary of the Board was instructed to send suitable letters embodying the opinion of Counsel relating to the payment of dividends to member banks withdrawing or liquidating before a dividend period.

The Secretary of the Board presented the usual discount rate notices, calling attention to the fact that no changes were requested. The same was received and ordered filed.

The Secretary of the Board presented a report from Federal Reserve Agent Austin relative to certain matters affecting the collection of checks drawn on the Federal Reserve Bank of Minneapolis by the Federal Reserve Bank of Philadelphia. The matter was received and ordered filed.

Mr. Warburg, to whom had been referred the preparation of a letter further explaining the Board's position as to the tenure of office of bank employees, was approved, and a copy thereof ordered sent to all Federal reserve agents.

The Secretary of the Board presented a memorandum filed with the Board by a committee of Treasury officials relative to the transfer of certain functions to Federal reserve banks. The matter was referred to Mr. Delano with request that he discuss the matter with Assistant Secretary of the Treasury Malburn.

The Secretary of the Board presented a communication from Mr. J. Z. Miller, jr. notifying the Board of the election of Mr. E. F. Swinney as member of the Advisory Council for the Federal Reserve Bank of Kansas City.

Mr. Harding notified the Board of the acceptance of Mr. Vance G. McCormick of appointment as director of the Federal Reserve Bank of Philadelphia.

Opinions of Counsel were presented and disposed of as follows:

An opinion relating to the form of resolution to be adopted by member banks granting to officers the power to re-discount, was referred to the Committee on Law;

A memorandum opinion relating to the minimum capital stock required of a State bank for membership in the system, was approved and ordered sent to Federal Reserve Agent Rich.

A memorandum opinion relative to the purchase of bonds by Federal reserve banks for refunding, was approved and ordered sent to Federal Reserve Agent Martin.

A communication from Mr. J. Z. Miller jr., relating to the detailing of Examiner Cross for an indefinite period to the service of the Federal Reserve Bank of Kansas City, was referred to the Committee on Operation of Federal Reserve Banks with power to act.

The question of a statement regarding amendments to the Federal Reserve Act for inclusion in the Board's report, was given general consideration and discussion.

The Chairman informally laid before the

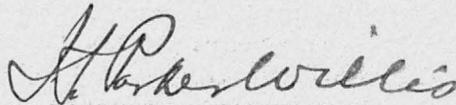
Board a resolution relating to the status of the present Conference of Governors, with the request that the Board examine it carefully and discuss it at a later time.

The Secretary of the Board read a letter from Mr. J. F. Curtis, Secretary of the Conference of Governors, naming January 19 as the date for the next meeting of the Conference; and was instructed to request a postponement until January 26, saying that the Board would be glad to have the Governors in Washington to confer with it on that date.

Mr. Warburg reported that upon investigation he found that purchases of open market paper now being made by the Federal Reserve Bank of Boston, were parts of the original transaction for which a special rate had been authorized, and that therefore, no action was needed.

On motion at 5:40 p. m. the Board adjourned to meet at 3:00 p. m., on Friday, January 7.

APPROVED:



Secretary.

Chairman.