

At a special meeting of the Federal Reserve Board held in the office of the Board at 3:10 p. m. on Monday, January 17,

PRESENT:

- Mr. McAdoo, presiding
- Mr. Williams
- Mr. Hamlin
- Mr. Warburg
- Mr. Delano
- Mr. Harding
- Mr. Miller
- Mr. Willis, Secretary.

The minutes of the meetings of January 13, morning and afternoon, were read and approved.

Letters and telegrams relating to the eligibility of Mr. F. W. Fleming as Vice Chairman and Deputy Federal Reserve Agent at Kansas City, were read. Mr. Hamlin informed the Board that Mr. Edwin A. Krauthoff of Kansas City had registered an objection to Mr. Fleming. On motion Mr. Fleming was thereupon designated Vice Chairman and Deputy Federal Reserve Agent at Kansas City, two members voting in the negative, and

Mr. Miller asking to have his negative vote recorded.

A letter from the New Orleans Branch of the Federal Reserve Bank of Atlanta asking that in the future copies of letters addressed to the Atlanta Bank relating to the Branch Bank be sent direct to the New Orleans Bank was read, and on motion the Board voted to decline the request.

The report of the Committee on Staff, relating to the temporary exchange between Mr. L. C. Adelson and Mr. R. R. Burklin, previously voted by the Board, was approved.

On motion the appointment of Mr. Curtis L. Mosher, assistant to Federal Reserve Agent Rich at Minneapolis, for one year, 1916, at the compensation previously established, was approved.

The Secretary of the Board presented a list of salaries of national bank examiners transmitted by the Comptroller of the Currency, and the

same was referred to the Committee on Audit and Examination.

On motion the report of the Committee on Member and State Banks relating to action regarding trustee applications and other pending matters, was approved, and the following action ordered entered accordingly:

COMMITTEE ON ADMISSION OF MEMBER  
AND STATE BANKS

January 15, 1916.

A meeting of the Standing Committee on the Admission of Member and State Banks was held in the office of Mr. Harding at 11:00 a. m., on Saturday, January 15, 1916.

PRESENT:

Mr. Harding, Chairman

Mr. Williams

Mr. Warburg.

PRESENT ALSO:

Mr. J. A. Broderick.

APPLICATIONS FOR FIDUCIARY POWERS:APPROVED:

Dist.

First National Bank, Springfield, Vt.	1
First National Bank, Morristown, N. J.	2
Oskaloosa National Bank, Oskaloosa, Iowa	7
First National Bank, Indianola, Iowa	7
First National Bank, Humboldt, Iowa	7
State National Bank, Bloomington, Ill.	7
Millikin National Bank, Decatur, Ill.	7
First National Bank, Moweaqua, Ill.	7
First National Bank, Marathon, Iowa.	7
Great Falls National Bank, Great Falls, Montana.	9

HELD FOR FURTHER EXAMINATION:

National Bank of New Jersey, New Brunswick, N. J.	2
First National Bank, Towanda, Pa.	3
Coshocton National Bank, Coshocton, O.	4
Farmers & Merchants National Bank, Winchester, Va.	5
Second National Bank, Washington, D. C.	5
Union National Bank, Columbia, S. C.	5
German American National Bank, Lincoln, Ill.	7
First National Bank, Davenport, Iowa.	7
Cedar Rapids National Bank, Cedar Rapids, Iowa	7
First National Bank, Birmingham, Mich.	7
First National Bank, Englewood, Ill.	7
National Brookville Bank, Brookville, Ind.	7

APPLICATIONS REFUSED:

Grove City National Bank, Grove City, Pa.	4
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Boston National Bank, South Boston, Va.	5
Citizens National Bank, Pocomoke City, Md.	5
Holston National Bank, Knoxville, Tenn.	6
First National Bank, Fortville, Ind.	7
American National Bank, Frankfort, Ind.	7
American National Bank, Benton Harbor, Mich.	7
First National Bank, Sioux City, Iowa	7
Citizens National Bank, Knightstown, Ind.	7
First National Bank, Swayzee, Ind.	7
First National Bank, George, Iowa.	7

MISCELLANEOUS.

Second National Bank, Patterson, N. J.	2
Passed until next meeting; instructions given to investigate report that matters criticized have been corrected.	
Drovers National Bank, Kansas City, Mo.	10
Commercial National Bank, Shreveport, La.	11
2 and 3 same as No. 1.	
Burnes National Bank, St. Joseph, Mo.	10
Recommended that the attention of the Federal Reserve Agent be directed to the use that has been made of the letter, also to the inference that may be drawn from the second paragraph. Further, that if the advertisement is still being used, it would be well for the Agent to suggest to the bank that the letter was not intended for publication.	
First Guaranty State Bank, Pittsburgh, Texas.	11
Application for withdrawal from system. Recommended that application be acknowledged and filed, and that investigation be made of difficulty in obtaining temporary accommodation re-	

ferred to in the bank's letter dated December 28th.

Bank of Cheraw, Cheraw, S. C.

Letter from Mr. Ingle dated December 29th requesting expression of opinion as to a certain asset. Recommended that suggestion be made to the reserve bank of Richmond to have Mr. Cadwallader or Mr. Peple make an unofficial examination of the bank. With the detailed information available, the Board will then be in a position to state what its attitude would be if an application is filed with a favorable recommendation of the reserve bank committee.

First National Bank, Perth Amboy, N. J.

Approval of application December 29, 1915, rescinded, for the reason that the bank being organized subsequent to March 1899, can not legally act in fiduciary capacity. Request return of certificate.

APPLICATIONS FOR ORIGINAL STOCK IN FED-

ERAL RESERVE BANKS

	Shares	Dist.
Planters National Bank, Saluda, S.C.	22	5
First National Bank, La Pine, Ala.	11	6
Peoples National Bank, Harrison, Ark.	17	8
First National Bank, Wynne, Ark.	15	8
First National Bank, Viborg, S. Dak.	27	9
First National Bank, Winnfield, La.	14	11
City National Bank, San Saba, Texas	60	11

Recommended that letters relating to use of the suggested form of reports of member banks

be considered by the Board or a special committee.

Respectfully submitted,

J. A. BRODERICK,

Secretary.

APPROVED:

W. P. G. HARDING,

Chairman.

APPROVED BY BOARD:

January 17, 1916.

On motion the following applications for stock in Federal reserve banks, duly recommended by the Committee on Member and State Banks, were approved:

DISTRICT No. 5.		Shares.
Planters National Bank	Saluda, S. C.	22
DISTRICT No. 6.		
First National Bank	La Pine, Ala.	11
DISTRICT No. 8.		
Peoples National Bank	Harrison, Ark.	17
First National Bank	Wynne, Ark.	15

DISTRICT No. 9. Shares.

First National Bank Viborg, S. Dak. 27

DISTRICT No. 11.

First National Bank Winnfield, La. 14

City National Bank San Saba, Texas 60

A report of Mr. Warburg relative to the liability for possible losses in the Gold Fund, suggesting a pro rata division between the share of the Federal reserve agents and the share of the banks, duly approved by Counsel was adopted.

A report of Mr. Warburg favoring the transmission to Federal Reserve Agent Jay of information received for the State Department regarding the organization of a branch bank in Venezuela, was approved.

Mr. Hamlin read a draft of a letter addressed to the Secretary of the Treasury relating to the conversion of 2% bonds into 3's. The letter was approved for transmission, Mr. McAdoo not voting.

On motion a recommendation of Chief

Examiner Broderick that the bank examination of the State of Ohio be accepted in the case of the Guardian Trust Company was approved.

On motion the draft of the letter to all Federal reserve agents requiring that in making deposits to cover liability for unfit Federal reserve notes at least 40% of such deposits shall be in gold was approved and the letter was ordered transmitted.

On motion, a request of Representative Langley for advance information regarding the earnings and expenses of the reserve banks was declined, the Secretary being directed to say that these data would be published in the Board's annual report within a few days.

A letter from Federal Reserve Agent Miller, transmitting a resolution of the Board of Directors of the Federal Reserve Bank of Kansas City recommending that the salary of the Federal Reserve Agent at Kansas City be fixed at

\$10,000 per annum, was read. After discussion it was directed that the Governor prepare for transmission a letter indicating the Board's view that recommendations as to salaries of Federal Reserve Agents were out of place.

Letters relating to the proposed form of report for use by member banks in transmitting information regarding their reserves to reserve banks, particularly one from Federal Reserve Agent Bosworth, were presented to the Board and on motion it was voted that the committee on operation in charge of the Chicago district, should prepare a draft of reply to Mr. Bosworth in which notice should be taken of the tone of Mr. Bosworth's letter.

The Board's Annual Report was taken up for consideration, discussed and further amended.

On motion the Secretary of the Board was authorized to visit Chicago during the current week at the expense of the Board to investigate

phases of the clearing situation.

The Secretary of the Board presented the question of publishing in the Bulletin recent letters relating to the eligibility of directors who were still holding certain offices and it was informally agreed that for the present these letters should not be made public while the matter is still in its formative stage.

On motion at 5:50 p. m. the Board adjourned to meet on Tuesday, January 18, at 11:00 a. m.

A handwritten signature in cursive script, appearing to read "A. P. ...".

Secretary.

APPROVED:

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Chairman.