

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:10 a. m., on Friday, January 28,

PRESENT:

Mr. Hamlin, presiding Mr. Williams

Mr. Delano Mr. Harding

Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of January 26 were read and approved.

The Secretary of the Board presented the usual weekly discount rate notices, stating that no changes had been requested. The notices were ordered filed.

Application from the Federal Reserve Bank of Chicago for power to purchase \$40,000, in warrants of the City of Decatur, out of a total issue of \$50,000 was approved, and the Chicago Bank ordered notified accordingly.

On motion the report of the Committee

on Issue and Redemption recommending that a new printing of Federal reserve notes be ordered as follows:

For the Federal Reserve Bank of Chicago, \$15,000,000, and for the Federal Reserve Bank of Kansas City, \$5,000,000, in denominations as specified in the report, was approved and the printing ordered.

On motion it was voted that the Secretary of the Board write an additional letter to all Federal reserve agents calling attention to the fact that the recent letter relating to payments into the 5% Redemption Fund was permissive purely, and was principally intended for the use of non-subtreasury points.

On motion it was voted that Regulation O be amended as follows, a letter in accordance therewith being sent out to all Federal reserve agents for transmission to Federal reserve banks.

"Whenever any Federal reserve bank receives the notes of any other Federal reserve bank it shall promptly return them for redemption to the issuing bank, all charges incident to the return of such notes to be borne by the issuing bank."

On motion it was voted that Mr. Claud Gatch of San Francisco be designated deputy Federal reserve agent ad interim, such appointment becoming effective February 1, his compensation to be \$25.00 a day whenever his services are actually needed and rendered.

Mr. Hamlin reported that he had authorized the Federal Reserve Bank of New York to pay the sum of \$6,000,000 into the Treasury for Federal reserve notes already redeemed by the Treasury on behalf of the New York Bank.

A letter from Federal Reserve Agent Perrin relative to the appointment of Mr. C. P. Shephard as his assistant, was referred to Mr. Miller.

On motion the Secretary of the Board

was directed to prepare a separate pamphlet print of the report of the Federal Reserve Agent at New York for immediate transmission.

On motion a letter addressed to President Sherer of the Zanesville (Ohio) National Bank relating to the collection of credit statement forms, was approved and ordered sent.

Correspondence between Mr. A. C. Miller and the Federal Reserve Bank of San Francisco relative to loans on grain receipts in the Northwest, was ordered transmitted to the Secretary of the Treasury.

On motion it was voted that in the next number of the Federal Reserve Bulletin there may be inserted a statement that in view of certain requests if any national bank wishes to subscribe for the Bulletin for its directors a special price of \$1.00 per year for each subscription in aggregate of ten or more will be granted.

Correspondence between Mr. Miller and Mr. William Woodward of New York relative to the provision of the Clayton Act as to interlocking directorates, was read and discussed.

The Comptroller of the Currency called attention to the fact that he is now issuing a weekly instead of a daily bulletin relating to certain public acts of his office.

Opinions of Counsel relating to charges on shipments of Federal reserve notes, and the annual renewal of power of attorney relating to rediscounts by member banks, were laid before the Board and ordered filed.

A letter from Federal Reserve Agent Ingle making certain inquiries regarding cotton acceptances, was referred to Mr. Warburg and Mr. Harding.

Mr. Delano reported on behalf of the Committee on Staff approving a recommendation of Federal Reserve Agent Ingle that Auditor Cadwal-

ader of the Richmond bank be named assistant to the Federal reserve agent. The recommendation was approved, the details connected with it being left to the Committee on Staff with power to act.

Mr. Hamlin reported an opinion of Counsel to the effect that the Board has no power to forbid the use of the American Flag on stationery for advertising purposes, and the Secretary was directed to write to inquirers accordingly.

A communication from Counsel inquiring whether in the new hearings on redistricting the Board is acting in review of the decision of the Organization Committee, or is readjusting the districts under its own authority, was read. On motion it was voted that the Board is acting by way of review in cases of the cities which have petitioned for changes in location of banks, and that in other

cases it is readjusting.

Mr. Miller submitted an opinion of Counsel to the effect that the Board had possibly exceeded its authority in issuing regulations regarding the composition of the Federal Advisory Council.. The opinion was referred to the Committee on Law with authority to consult Mr. J. P. Cotton if desired.

On motion the Governor of the Board was authorized to visit Springfield, Massachusetts, at some time in February to deliver an address, if on further investigation, he should think it best, the expenses of the trip to be paid by the Board.

An outline of the Staff of the Board with their salaries, prepared for publication in the forthcoming report, was approved.

A draft of a letter to Federal Reserve Agent Ramsey relating to dividend payments due a bank which has gone out of busi-

ness prior to the declaration of the dividend,
was approved and ordered transmitted.

The Board's annual report was taken
under advisement and further amended.

On motion it was voted that the com-
mittee in charge prepare an amendment relating
to open market purchases of notes secured by
warehouse receipts.

On motion at 1:05 p. m. the Board
adjourned to meet at 3:00 p. m. this day.

Secretary.

APPROVED:

Chairman.