

At an adjourned meeting of the Federal Reserve Board held in the office of the Board at 3:10 p. m., on Thursday, February 3,

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 February 1 and 2 were read and approved, and the minutes of the session on Wednesday, February 2 at which a Committee of the Federal Reserve Bank of Richmond was received, were likewise read and approved.

A letter from Federal Reserve Agent Jay relating to the attitude of State Bankers' Associations was read, and on motion Mr. Warburg was requested to prepare a statement of the Board's position, with authority to give

the same to the press if deemed wise.

Inquiries with reference to the purpose of Mr. Benjamin Strong's visit to Europe were considered, and it was agreed that the Secretary of the Board might state that so far as the Board knows, Mr. Strong's visit has no official significance save in so far as he might look into the question of foreign agencies of Federal reserve banks.

Consideration of the Annual Report of the Board was resumed, and Mr. Delano made a detailed statement with reference to the relations between the Board and the office of the Comptroller of the Currency, reviewing the history of these relations, and indicating his views with reference to the future. On motion further consideration of the Report was deferred until the afternoon of Friday, February 4.

An application of the Federal Reserve

Bank of Philadelphia for power to buy \$100,000 of Atlantic City warrants, was approved.

The Secretary of the Board presented the usual weekly discount rate notices, reporting that no changes were asked for. The notices were received and ordered filed.

The Secretary of the Board presented a new form of statement for use in making application for the surrender of capital stock in Federal reserve banks, accompanied by a certificate of the approval of Counsel. The statement was adopted and ordered put into effect.

The Secretary of the Board presented the draft of a letter to the Secretary of State regarding the financing of export and import trade. The letter was referred to Mr. Harding and Mr. Warburg for approval, with power to order its transmission.

On motion the Committee on Clearing

was authorized to confer at its discretion with the office of the Attorney General regarding the clearing situation, and to ascertain his probable attitude with reference to a plan involving the mandatory deferred debit and credit of items received by Federal reserve banks.

Mr. Harding gave notice that at the proper time he would propose to the Board an amendment to the Federal Reserve Act whereby the member banks would be given the right to elect four directors, while the Federal Reserve Board would name five, the present Class "B" directors being eliminated.

Mr. Warburg reported the amendment relating to bank loans on real estate which had been placed in his hands for preparation. The amendment was discussed, and on motion re-committed.

On motion at 4:40 p. m., the Board

adjourned to meet on Friday, February 4, at
3:00 p. m.

A. Parker
Secretary.

APPROVED:

Chairman.