

At an adjourned meeting of the Federal Reserve Board held in the office of the Board at 3:00 p. m., on Friday, February 4,

## PRESENT:

Mr. Hamlin, presiding      Mr. Warburg

Mr. Delano                      Mr. Harding

Mr. Williams                  Mr. Miller

Mr. Willis, Secretary.

The draft of a letter to Federal Reserve Agent Ingle relative to his resignation prepared in accordance with the instructions of the Board was read and approved.

A letter from the Old National Bank of Battle Creek, Michigan, relative to the question of loans by national banks on real estate, was read. On motion the draft of a paragraph for the Annual Report relating to an amendment of the Federal Reserve Act as to loans on real estate, was approved and ordered inserted, subject to later modifica-

tion. Mr. Miller was recorded in the negative, and Mr. Williams reserved the right to propose changes in the amendment.

On motion the appointment of Mr. R. B. Spear as assistant to the Federal Reserve Agent at Boston at a salary of \$2,000 per annum, dating from February 1, was approved.

A request from Federal Reserve Agent Curtiss for permission to give his monthly report on business conditions to the newspapers prior to their appearance in the Federal Reserve Bulletin, was presented and on motion disapproved.

A letter from Mr. G. M. Reynolds of Chicago proposing an amendment to the Clayton Act, was read, and on motion it was voted that a copy thereof should be transmitted to Senator Owen and another to Mr. Glass.

The question of the forms to be used by State banks in making reports to the Comp-

troller of the Currency, was discussed. On motion it was voted that the Secretary of the Board obtain from each State Superintendent of Banks the forms used in such States.

After consideration of the opinion of Counsel rendered on September 14, 1915, relative to the power of the Comptroller of the Currency in the matter of bank reports; and after further consideration of the letter of September 16 sent by the Board to various State bank members with reference to this same matter; and after further consideration of the opinion of Counsel dated January 29, 1916, relating to the same subject, it was on motion voted that inasmuch as the Board's counsel had given a construction of Section 9 of the Federal Reserve Act which permits the acceptance of State member bank reports made on the forms used in those States; and inasmuch as it is the view of the Board that membership in the system will be greatly promoted

by the use of such forms, the Board ask the Comptroller what he can do in the matter and when. //

The Comptroller of the Currency having considered this matter and expressed himself favorably thereon, it was on motion voted that State bank members in Illinois, Massachusetts, New York, Alabama and Ohio be advised by the Secretary that sworn copies of the reports made by them to their State Department would be accepted when made on dates simultaneous with those indicated by the Comptroller for his own call, and that on other dates reports may be made to the Comptroller on the blanks prescribed by the State Banking Department in said States, this permission to be extended from time to time where the reports satisfactorily disclose the resources and liabilities.

Mr. Williams advised the Board that

he had recently notified his staff not to call on State banks for detailed lists of their real estate loans.

On motion it was voted so to amend the regulations of the Board relating to fiduciary powers as to permit Federal reserve agents to submit to their own boards only such parts of the reports of applying banks as are germane to their applications for such powers. The Secretary was directed to send a letter accordingly to all Federal reserve agents.

Mr. Harding presented the case of the First National Bank of Hoquiam, Washington, and its application for trustee powers, recommending that as it would be some time before the next examination report of the bank was filed, and as there was an urgent matter calling for the action of the bank, it should be authorized to exercise the functions of trustee in this particular matter (that of acting as trustee of a

bond issue for a logging and timber corporation) pending final action by the Board. The recommendation was adopted.

On motion at 4:30 p. m., the Board adjourned to meet on Saturday, February 5, at 2:30 p. m.

A handwritten signature in cursive script, appearing to read 'A. P. ...', is written above a horizontal line. Below the line, the word 'Secretary.' is printed in a serif font.

Secretary.

APPROVED:

A handwritten signature in cursive script, appearing to read 'C. H. ...', is written above a horizontal line. Below the line, the word 'Chairman.' is printed in a serif font.

Chairman.