

At a special meeting of the Federal Reserve Board held in the office of the Board at 11:15 a. m., on Thursday, March 2,

PRESENT:

- Mr. Hamlin, presiding Mr. Warburg
- Mr. Delano Mr. Harding
- Mr. Williams Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of February 29 were read and approved.

Upon recommendation of the Committee on Staff the appointment of Mr. H. C. Breck as clerk in the office of Mr. A. C. Miller, at a salary of \$1,200 per annum, was approved.

On motion the application of the Philadelphia National Bank for power to accept up to 100% of capital and surplus in transactions growing out of foreign trade, duly recommended by the committee on operation, Philadelphia district was approved.

On motion the application of the First National Bank of Miamisburg, Ohio, for reduction of capital stock in the sum of \$100,000, and surplus in the sum of \$50,000, duly recommended by the Comptroller of the Currency and the Federal Reserve Bank of Cleveland, was approved.

On motion, upon the recommendation of Chief Examiner Broderick, it was voted to accept the report of examination of the State Banking Commission of South Carolina in reference to the Peoples Bank of Sumter, South Carolina.

On motion, upon the recommendation of Chief Examiner Broderick, it was voted to arrange for special examinations of State bank members in those States where only one examination is annually given by the State Banking Department, in order to comply with the requirements of the Federal Reserve Act that there be two such examinations each year, such arrangement to be in accordance with the memorandum filed by Mr. Broderick.

On motion the report of examination of the Federal Reserve Bank of New York was referred to Mr. Warburg.

The Secretary of the Board notified the Board of a change in the by-laws of the Federal Reserve Bank of Philadelphia relating to the time of holding directors' meetings. The notification was ordered filed.

The Secretary of the Board presented the usual weekly discount rate notices, calling attention to the fact that no changes were asked for. The notices were ordered filed.

The Secretary of the Board presented an opinion of Counsel with reference to the question of the use of checks as reserves. After discussion the opinion was ordered filed.

The Secretary of the Board presented an opinion of Counsel relative to the powers of the Comptroller to call for supplementary information concerning the condition of national

banks. On motion it was agreed that the opinion be copied and one copy sent to each member of the Board.

On motion the Federal Reserve Bank of Philadelphia was authorized to invest up to \$3,000,000 in New York City warrants.

On motion it was voted that the orders in the Connecticut and Louisiana redistricting cases be prepared by Counsel and formally entered in the minutes, the effective date in each case to be April 1.

A letter prepared by Mr. Delano for transmission to the Pompeian Oil Company was read and approved.

On motion the question of adjustments in connection with the allotment of bonds for conversion was referred to the Committee on Law.

It was informally agreed that the form of amendments to be transmitted to Con-

gress as a basis for discussion there, should be altered by omitting the present heading, and that the Secretary of the Board prepare letters to Chairman Owen of the Senate Banking and Currency Committee, and Chairman Glass of the House Banking and Currency Committee, transmitting the same.

Mr. Williams stated to the Board that he did not wish to be recorded as favoring the proposed amendments with reference to the formation of corporations to establish foreign branch banks in the form submitted.

It was further informally agreed that the proposed amendment relating to the change in the denominations of gold order certificates should not be transmitted until it could be submitted to the Secretary of the Treasury.

A memorandum submitted by Mr. Warburg with reference to changes in personnel

of committees during his absence, was read to the Board, and on motion approved, the following changes being accordingly ordered:

Mr. Delano to serve in place of Mr. Warburg on the Committee on Operation (Boston and Minneapolis Districts);

Mr. Harding to act in place of Mr. Warburg on the Committee on Operation (New York and Philadelphia Districts);

Mr. Miller to act in place of Mr. Warburg on the Committee on Operation (Chicago and Cleveland Districts).

The report of the Committee on Organization and Staff having been taken up for consideration, according to previous agreement, it was voted to approve the salary lists of the Federal Reserve Banks of New York and Chicago submitted by the banks in their official communications to the Board; and to approve those of St. Louis in respect to the salaries of employees, the salaries of officers at St. Louis being approved for the first quarter of 1916 only; and further to approve the salaries of

the vice governor and all officers and employees below him, for the Federal Reserve Bank of Richmond.

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

H. Parker Willis

Secretary.

APPROVED:

C. Stansbury

Chairman.