

At a called meeting of the Federal Reserve Board held in the office of the Board at 11:10 a. m., on Saturday, March 18,

PRESENT:

Mr. Hamlin, presiding Mr. Harding

Mr. Delano Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of Thursday, March 9, were read and approved.

On motion the Federal Reserve Bank of Cleveland was authorized to purchase and hold warrants in pursuance of applications made by it as follows:

Cincinnati, Ohio,	\$475,000
Toledo, Ohio,	400,000
Cleveland, Ohio,	1,500,000.

The Secretary of the Board having read a communication from the Federal Reserve Bank of Kansas City stating the election of Mr. Arch W. Anderson as cashier at a salary of \$4,000, the appointment and salary were, on

motion approved for a period of 90 days, and the Secretary directed to notify the bank accordingly.

On motion the application of the Exchange National Bank of Marietta, Pennsylvania, for fiduciary powers, was approved and the Secretary directed so to notify the Federal Reserve Bank of Philadelphia.

A report from Mr. Miller disapproving a new form proposed for use in connection with returned notes, was on motion concurred in.

A report of the examination of the Federal Reserve Bank of Minneapolis, and report of the examination of the accounts of the Federal Reserve Agent at Kansas City, was on motion referred to Mr. Miller.

A telegram from Chief Examiner Broderick relative to the form of condition report employed by State member banks having been read was on motion referred to Mr. Harding.

A letter from Mr. C. S. Hichborn relative to certain conflicting opinions as to the eligibility of directors under the Clayton Act, was on motion referred to Mr. Harding.

A circular relating to the territorial adjustment between the Dallas and Atlanta districts, prepared by the Federal reserve banks affected, was presented to the Board and noted.

On motion it was voted to print in the forthcoming issue of the Federal Reserve Bulletin the text of the proposed amendments to the Federal Reserve Act as introduced by Senator Owen in bill form, simply stating that the bill thus published is regarded by the Board as carrying out the purposes of its proposed amendments.

A memorandum relating to the condition of the Federal Reserve Branch at New Orleans having been read, was referred to Mr. Harding.

The usual weekly discount rate notices were laid before the Board, no requests for

changes being made, and were on motion ordered filed.

A communication from the Calcasieu National Bank of Lake Charles, Louisiana, relative to the computation of its reserves at branches, was read and on motion ordered circulated.

A memorandum from the Comptroller of the Currency relating to the examination of trust departments in national bank, was presented and on motion referred to Mr. Delano as chairman of the Committee on Audit and Examination.

Question with reference to the salary of the deputy Federal reserve agent at San Francisco having been presented to the Board, it was on motion voted that the matter be placed in the hands of Mr. Miller and Mr. Delano with power to act.

A memorandum from Mr. W. M. Inlay

relative to the recent audit of the Gold Settlement Fund was laid before the Board and ordered filed.

A letter from the Secretary of the Treasury relative to high rates of interest in Iowa, was read and on motion referred to Mr. Delano.

A letter from the Comptroller of the Currency with reference to reasons for the withdrawal of sundry national banks from the system, was read and on motion ordered filed.

A letter from Federal Reserve Agent Rich relative to certain publicity work contemplated by him, was presented to the Board and ordered circulated.

A letter asking for an opinion regarding a supposedly excess loan at Union City, Tennessee, was on motion referred to Counsel.

A letter from Senator Owen inquiring the position of the Board with reference to the making of paper currency a legal tender, was referred to the Committee on Law with the suggestion that it send the same reply as was sent in connection with a similar inquiry some months ago.

A letter from Senator Sterling relative to a possible change in the proposed amendment relating to branches of national banks, was referred to the Committee on Law.

A letter from the American Bankers' Association suggesting that it would like to publish its memorandum on branch banks having been read, it was agreed that the Board sees no objection, provided no mention is made of its own attitude in the matter.

A memorandum prepared by Mr. Allen with reference to purchases of bonds at the Federal Reserve Bank of Chicago having been

read, was on motion referred to Mr. Delano.

A letter from the Comptroller of the Currency with reference to the furnishing of examination reports to national banks having been read, was ordered filed.

The Secretary of the Board having presented opinions of Counsel with reference to the power of the Secretary of the Treasury in regard to one-year notes, and the power of the Federal Reserve Board to hold gold for a foreign bank, the same were noted and ordered filed.

A letter from the Comptroller of the Currency relating to the use of the word "Federal", transmitting a copy of a bill on the subject by him to Chairman Glass of the House Committee on Banking and Currency, having been read, was ordered referred to Mr. Delano.

The Secretary of the Board having presented an inquiry from the Federal Reserve

Bank of Minneapolis relative to the time required to pass on applications of intending State bank members, it was agreed that he should reply stating that 10 days would probably be required; but that before sending the letter he should submit it to the Comptroller of the Currency.

The Secretary of the Board having presented a letter from Mr. J. P. Cotton, relative to the charter-bond requirements of national banks, was directed to show the same to the Comptroller of the Currency.

The Secretary of the Board having presented an invitation from the National Association of Credit Men to the Governor of the Board to attend their annual convention, it was on motion agreed that the Governor should accept the invitation at his convenience, the expenses of the trip to be paid by the Board.

A letter from Mr. W. J. Smith of the

Old National Bank of Battle Creek, Michigan, relative to proposed amendments to the Federal Reserve Act was read, and the Secretary ordered to send an appropriate reply.

The same disposition was made of a communication from the Civil Service Employees Union.

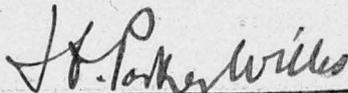
Letters relating to the question of a new clearing system were ordered referred to Mr. Delano for consideration and report.

A memorandum from the Governor of the Board with reference to the question whether advisory committees appointed by boards of directors of national banks are or are not within the provisions of the Clayton Act, was ordered referred to Mr. Cotton for an opinion, through the office of the Counsel.

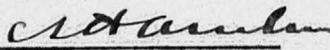
The application of the First National Bank of Wilmington, Illinois for permission to reduce its capital stock in the sum or \$50,000

duly recommended by the Comptroller of the Currency and the Federal Reserve Bank of Chicago, was on motion approved.

On motion at 12:35 p. m., the Board adjourned to meet on Monday, March 20, at 11:00 a. m.


Secretary.

APPROVED:


Chairman.