

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:10 a. m., on Monday, March 27,

PRESENT:

Mr. Hamlin, presiding Mr. Harding

Mr. Delano Mr. Miller

Mr. Allen, Secretary.

The minutes of the meeting of March 24, were read and approved.

An offer of R. G. Dun and Company to supply statistics of business failures by Federal reserve districts, monthly, for printing in the Federal Reserve Bulletin was read and referred to Mr. Delano.

A letter to the Governor of the Board from the Comptroller of the Currency with the statement that the President of the Merchants National Bank of Richmond, Virginia, approved the present method of national bank examination was read and ordered to be filed.

Attention was directed to the fact that at the Conference of Governors in Washington on January 19 and 21, 1916, the Secretary of the Conference was directed to suggest to each bank the desirability of submitting its views upon the matter of separate physical custody of the funds of the Federal reserve banks and Federal reserve agents, constituting the Gold Settlement Fund, and that but one reply, that of Governor McDougal of the Federal Reserve Bank of Chicago, had been received. There was discussion of the desirability of separating the certificates constituting the two funds but without definite action.

The application of the First National Bank of Gering, Nebraska, to reduce its capital stock from \$50,000 to \$25,000, favorably reported by the Committee, was approved.

Requests of the Federal Reserve Bank of St. Louis for authority to purchase the en-

tire issue of \$15,000 of the warrants of Mayfield, Kentucky, a city of less than 10,000 inhabitants, favorably reported by Committee, was approved.

Affirmative action was taken by the Board on the request of the Federal Reserve Agent at Dallas, for the shipment of \$400,000 in Federal reserve notes of the denomination of \$100. This application had received the approval of the Committee on Issue and Redemption and the initialed approval of the other two members in Washington on March 25 and shipment made.

X Letters prepared by Mr. Hamlin to the Chairman of the Senate and House Committee on Judiciary, stating the submission to the Board of a question as to the legality under the Clayton Act of Advisory Committees of banks, were read and it was directed that they be forwarded, copies to be sent to Honorable Robert

L. Owen and Honorable Carter Glass. A letter to Phillips & Avery of New York, stating the receipt of their application for a ruling in the above matter was read, changed and it was directed that it be forwarded.

Upon favorable report of the Committee on Staff the Board approved an increase of salary from \$125 to \$150 per month for Mr. R. B. Coleman, Paying Teller, at the Federal Reserve Bank of Dallas, the increase to become effective on April 1.

The report of examination of the Federal Reserve Bank of Cleveland was laid before the Board and referred to Mr. Delano, Chairman of the Committee on Operation of the Federal Reserve Bank of Cleveland.

A letter from the First National Bank of Canadian, Texas, asking to be transferred from the Dallas to the Kansas City Federal Reserve Bank, was read and referred to Mr. Harding.

A letter from Mr. Joseph Boehmer of Chicago, asking as to the amount of credit released through the operation of the Federal Reserve Act and other questions, was referred to Mr. Delano for reply.

Upon report of the Committee on Member and State Banks the following action was taken upon applications for fiduciary powers:

APPROVED:

Rawlins National Bank, Rawlins, Wyo.
 Peoples National Bank, Martinsville, Va.
 Washington National Bank, Ellensburg, Wash.
 Merchants-Laclede Nat'l Bank, St. Louis, Mo.
 First National Bank, Flandreau, S. D.
 First National Bank, Lake Preston, S. D.
 First National Bank, Sioux Rapids, Iowa.
 Greeley National Bank, Greeley, Colo.
 First National Bank, Fort Morgan, Colo.
 First National Bank, Bradentown, Fla.
 New York State Nat'l Bank, Albany, N. Y.
 Second National Bank, Elmira, N. Y.
 Manufacturers Nat'l Bank, Harriman, Tenn.
 Hazelton National Bank, Hazelton, Pa.

REFUSED:

First National Bank, Rippey, Iowa.
 First National Bank, Plentywood, Mont.
 First National Bank, Tipton, Ind.
 First National Bank, Steamboat Springs, Colo.

HOLD:

The application of the Federal Reserve Bank of Cleveland for permission to purchase warrants of the City of New York in excess of

five per cent of the deposits of their member banks, but not to exceed \$2,000,000, was approved.

The appointment of Mr. H. L. Mills-paugh as private secretary to the Comptroller of the Currency, on the rolls of the Federal Reserve Board, in place of Mr. Sidney B. Congdon, it being stated that the change was temporary, was approved.

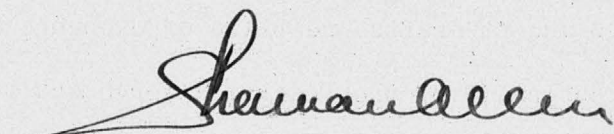
The application of the Merchants National Bank of Boston, submitted with the approval of the Federal Reserve Agent at Boston, to accept drafts and bills of exchange under Section 13 of the Federal Reserve Act to an amount not exceeding its capital stock and surplus, was approved.

Attention was called by Mr. Delano to an editorial from the Des Moines, Iowa, Register of March 21, 1916, in which the charge, that Federal reserve banks had re-

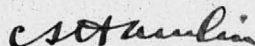
fused to grant loans at the rate of 6% on farm crops, was attributed to Mr. John Burke, Treasurer of the United States. The matter was referred to Governor Hamlin with the request that he prepare a letter to Treasurer Burke regarding the matter.

Mr. Miller stated that he had been invited to address the Missouri Bankers' Association at its meeting on May 23 and 24, and was authorized to accept the invitation.

At 12:10 p. m., the Board adjourned to meet on Tuesday, March 28, at 11:00 a. m.


Secretary.

APPROVED:


Chairman.