

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:10 a. m., on Friday, March 31,

PRESENT:

- Mr. Hamlin, presiding Mr. Williams
- Mr. Delano Mr. Harding
- Mr. Allen, Secretary.

The minutes of the meeting of March 30 were read and approved.

The report of Mr. Delano and Mr. Harding, Committee, in connection with the allotment of 3% bonds and notes in exchange for United States 2% bonds, was approved as follows, and directed to be forwarded to the Treasury Department:

March 31, 1916.

To the Federal Reserve Board.

Gentlemen:

The Secretary of the Treasury under date of February 28, 1916, author-

ized the Federal Reserve Banks to tender for conversion into bonds and notes, thirty million dollars during the present calendar year, fifteen millions of which would be converted April 1st, and the balance one-half July 1st and one-half October 1st.

Nine of the twelve Federal Reserve Banks have tendered bonds for conversion; in fact all except Atlanta, Dallas and San Francisco. Five Banks have offered more bonds for conversion than can be allotted to them at this time, while four Banks are offering fewer bonds than they would be authorized to take.

Your Committee therefore makes the following recommendation:

- (1) That the application of the Bank of Boston for the conversion of \$500,000 of bonds be approved, one-half bonds and one-half notes.
- (2) That the application of the Bank of New York for the conversion of \$3,602,000 of bonds be approved in respect to \$3,065,250, one-half bonds and one-half notes.
- (3) That the application of the Bank of Philadelphia for the conversion of \$1,500,000 be approved as to \$1,424,550; \$962,275 of which will be bonds, and \$462,275 will be one-year notes.
- (4) That the application of the Bank of Cleveland for the conversion of

\$400,000 be approved, one-half bonds, and one-half notes.

(5) That the application of the Bank of Richmond for the conversion of \$1,676,000 of bonds be approved in respect to \$913,800, one-half bonds, and one-half notes.

(6) That the application of the Bank of Chicago for the conversion of \$1,000,000 of bonds be approved.

(7) That the application of the Bank of St. Louis for the conversion of \$2,309,000 of bonds be approved in respect to \$761,700, one-half bonds, and one-half notes.

(8) That the application of the Bank of Minneapolis for the conversion of \$1,000,000 of bonds be approved in respect to \$699,300, one-half bonds and one-half notes.

(9) That the application of the Bank of Kansas City for the conversion of \$820,600 of bonds be approved, one-half bonds and one-half notes.

It will be seen that the foregoing recommendations aggregate \$12,511,050. Under the ruling already made by the Treasury Department and our own Counsel, if any of the Banks do not ask for the conversion of their full allotment by or before October 1, 1916, the bonds authorized to be taken by them shall be allotted to other Banks who are asking for authority to con-

vert a larger percentage than their allotment.

It is understood that the Secretary of the Treasury will make each of these allotments one-half each of 3% bonds and one-half one-year notes. There was, however, an exception made in the case of the Federal Reserve Bank of Chicago as to one million, and the Federal Reserve Bank of Philadelphia as to \$500,000 bonds, applied for and approved by the Secretary before a change in the ruling was decided upon.

Respectfully submitted.

Committee

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CONVERSION OF UNITED STATES 2% BONDS.

Federal Reserve Bank of	Total Applications	Amount of Bonds acceptable for Conversion on Basis of Capital (Adjusted to April 1, 1916)	Excess Applied for	Deficiency in Applications.
Boston	\$500,000	\$1,381,950		\$881,950
New York	3,602,000	3,065,250	536,750	

Philadelphia	1,500,000	1,424,550	75,450	
Cleveland	400,000	1,624,800		1,224,800
Richmond	1,676,000	913,800	762,200	
Atlanta		705,300		
Chicago	1,000,000	1,817,700		817,700
St. Louis	2,309,000	761,700	1,547,300	
Minneapolis	1,000,000	699,300	300,700	
Kansas City	820,500	822,000		1,400
Dallas		706,200		
San Francisco		1,077,450		
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Total		15,000,000		
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The application of the Irving National Bank of New York, for permission to accept bills of exchange to 100% of their capital stock and surplus, recommended by the Federal Reserve Agent at New York, was approved.

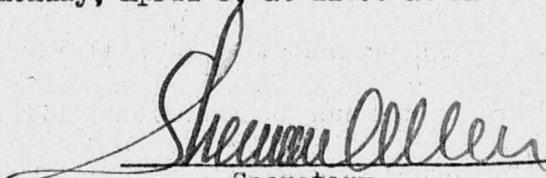
Suggestions submitted by Mr. Williams as to the presentation of matter relating to the Board in the new Congressional Directory were laid before the Board and the suggestions adopted.

The suggestion of Mr. Delano that the report of the establishment of a branch of the

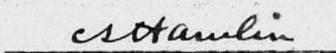
Royal Bank of Canada, at Caracas, Venezuela, forwarded by the State Department, be communicated to Senator Owen and Representative Glass, was adopted.

A memorandum from Governor Hamlin, stating that Mr. Festus J. Wade of St. Louis had called him on the telephone from New York relative to the ruling of the Board as to reserves of trust companies, and that Mr. Wade ask for a delay as to action by the Board until Governor Wells could be heard in the matter, was read to the Board.

At 11:40 a. m., the Board adjourned to meet on Monday, April 3, at 11:00 a. m.


Secretary.

APPROVED:


Chairman.