

At a regular meeting of the Federal Reserve Board held in the office of the Board at 3:05 p. m., on Tuesday, May 16,

PRESENT:

Mr. Hamlin, presiding Mr. Warburg

Mr. Delano Mr. Harding

Mr. Miller

Mr. Allen, Secretary.

The meeting scheduled for 11:00 a. m. was postponed to 3:00 p. m. by order of the Governor of the Board.

The minutes of the meeting of May 15 were read and approved.

The following references of matters on the docket were made by the Board:

Memorandum of Counsel as to agitation in Texas against the clearing plan, referred to the Committee on Clearing with power to act;

Report of examination of the Federal

Reserve Bank of Dallas, and the Federal Reserve Agent's accounts, referred to the Committee on Operation of the Dallas Bank;

Recommendation of Governors of Federal reserve banks as to correspondence with the banks and Federal reserve agents, referred to a special committee composed of Mr. Delano and Mr. Miller;

Suggestions of the State Department as to printing a list of those banks and firms from whom Federal reserve banks have purchased acceptances, referred to Mr. Warburg;

Sixteen letters approving the action of the Board in connection with the clearing and collection of checks, referred to the Committee on Clearing;

The question of the adjustment of losses, should any occur, in the Gold Settlement Fund, referred to the Committee on the Gold Settlement Fund;

The minutes of the meeting of the Federal Reserve Board with members of the Federal Advisory Council, referred to Mr. Delano.

A telegram from the Federal Reserve Agent at Atlanta asking approval of an increase in the commodity rate at that bank from 3% to 3 1/8%, was approved by the Board, Mr. Williams to have the privilege of being recorded.

The recommendation of the Governors of Federal reserve banks at their meeting in April that banks far distant from Washington may substitute a member of the force of a nearby bank to audit the Gold Settlement Fund, was, upon recommendation of Mr. Harding, approved.

The application of the following bank for stock in the Federal Reserve Bank of Cleveland, duly recommended by Mr. Harding as chairman of the Committee on Member and State Banks, was approved :

DISTRICT No. 4.	Shares.
Ambridge Nat'l Bank Ambridge, Pa.	17

The applications of the following banks for additional stock in Federal reserve banks, duly recommended by Mr. Harding as chairman of the Committee on Member and State Banks, were approved:

DISTRICT No. 6.	Shares.
First National Bank La Pine, Ala.	1

DISTRICT No. 10.

First National Bank Beaver, Okla.	4
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Upon recommendation of Mr. Warburg, Counsel's memorandum on "Butter Paper," answering an inquiry of the Federal Reserve Agent at San Francisco, was ordered to be forwarded.

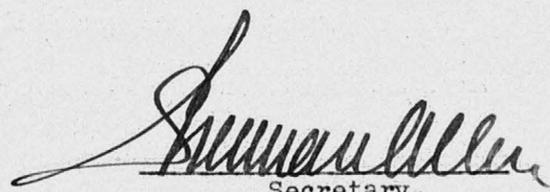
Governor Hamlin was authorized to give to the press a statement as to the meeting of the Federal Advisory Council

Attention was called to the opinion of Counsel on the reserve to be maintained by

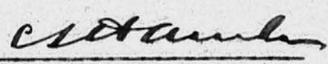
banks in Texas against savings or time deposits, and it was directed that the matter be referred to Mr. Cotton for his opinion.

At 4:10 p. m. Secretary McAdoo joined the Board, Mr. Williams coming in later, and Governor Strong made a report of his observations in London and Paris, particularly as to the appointment of a foreign agent or correspondent for Federal reserve banks.

At 5:05 p. m. the Board adjourned to meet at 11:00 a. m. on Wednesday, May 17.


Secretary.

APPROVED:


Chairman.