

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:10 a. m., on Monday, May 22,

PRESENT:

Mr. Hamlin, presiding Mr. Harding

Mr. Delano Mr. Miller

Mr. Allen, Secretary.

The minutes of the meeting of Friday, May 19, were read and approved.

A letter from Senator John Sharpe Williams in connection with the Board's clearing plan, was referred to the Committee on Clearing.

A letter from the Federal Reserve Bank of Kansas City stating the abandonment of its No. 3 account, maintained under an agreement between that bank and the Federal Reserve Bank of Dallas, was read and noted.

A letter from the South Bend National Bank of South Bend, Indiana, as to reserve re-

quirements, was referred to the Committee on Member and State Banks for reply.

The Secretary presented a request from the Regional Reserve Bank Committee of Baltimore for a hearing before the Board, and was instructed to prepare a letter stating that the Board would meet the Committee at 3 p. m., on Monday, May 29, but that any criticism of the opinion of the Attorney General should properly be addressed to him.

It was voted that the Board Room should be placed at the disposal of the Federal reserve agents for their conference beginning on May 29.

A letter from the Federal Reserve Agent at San Francisco suggesting the appointment of Mr. Claud Gatch as Deputy Federal Reserve Agent during the absence of the Agent and Deputy, was referred to the Committee on Operation of Banks for San Francisco.

The report of the committee on the petition of Wisconsin banks to be separated from District No. 9 and attached to District No. 7, was taken up, approved, and Counsel directed to prepare the necessary order and notice to those interested, all of these papers to be again submitted to the Board. It was voted that the statement to the press should not be given out until the papers prepared by Counsel were approved.

The application of the National City Bank of New York to open a branch in Italy, was passed over to await the return of Mr. Warburg.

Mr. Harding was requested by the Board to visit the Federal Reserve Bank of Atlanta on his next trip south.

At this point Mr. McAdoo and Mr. Williams came to the Board Room.

There was discussion as to the print-

ing of an address by the Federal Reserve Agent at New York in the June Bulletin, and, in this connection, of the policy of printing addresses of members of the Board, and others, in the Bulletin. Mr. Miller moved reconsideration of the report of the committee, and this was voted. Upon the statement that Mr. Warburg was interested in the matter, it was allowed to go over until the next meeting.

Consideration was given to the letters of Mr. E. T. Meredith in connection with his candidacy for Governor of Iowa, and, after discussion, it was agreed that his offer to resign his position as a director on the board of the Federal Reserve Bank of Chicago, should be accepted by the Board. The matter was referred to Mr. Delano that he might write to Mr. Meredith.

A letter from the Governor of the Federal Reserve Bank of Dallas disavowing al-

leged indiscreet remarks attributed to him by a correspondent of the Comptroller of the Currency, attention to which had been called by the Comptroller, was read, and the explanation accepted.

Mr. McAdoo left the Board room at this point.

A letter from the Governor of the Federal Reserve Bank of Minneapolis to Mr. A. C. Miller stating the effect of rulings of the Comptroller of the Currency on member and State banks in District No. 9, was ordered referred to the Comptroller for a report on the matter.

The report of the Committee on Issue and Redemption providing for the printing of \$600,000 additional notes for the Federal Reserve Bank of San Francisco in order that the notes previously authorized may be put in packages in even multiples of 4,000 notes each,

was approved.

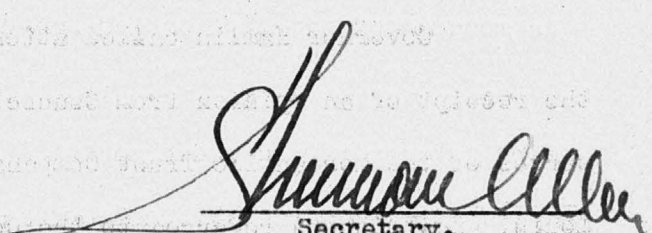
The application of the Federal Reserve Bank of Chicago for authority to purchase \$75,000 warrants of three municipalities of Massachusetts, recommended by Mr. Harding, was approved.

Governor Hamlin called attention to the receipt of an opinion from Counsel as to reserves of the Mercantile Trust Company of St. Louis, and this was referred to the Committee on Operation of the St. Louis Bank.


An opinion of Counsel, supplemented by a statement from Mr. J. P. Cotton as to reserves for State banks and savings institutions in Texas, was referred to the Committee on State banks.

Mr. Delano reported the receipt by him of replies from eleven Federal reserve banks as to the best date for putting into active effect the clearing plan, and on motion of Mr. Harding the Board voted that the plan should go into effect in all respects on July 15th.

Opinions of Counsel submitted for approval to publish in the June Bulletin were referred to the Committee on Law. At 1:00 p. m., the Board adjourned to meet at 11:00 a. m., on Tuesday, May 23.


Secretary.

APPROVED:


Chairman.