

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Board at 10:10 A. M. on Friday, October 6, 1916,

PRESENT:

Governor Harding, presiding, Mr. Delano,
Mr. Warburg, Mr. Willis, Secretary.

The Governor of the Board presented a letter from Governor Seay of Richmond submitting a rate of $3\frac{1}{2}\%$ on promissory notes of member banks running from one to fifteen days. The proposed rate was approved, and the Secretary ordered to inform Governor Seay by wire and post the rate.

A letter from Counsel as to whether a Federal Reserve bank may loan on promissory notes of members secured by county warrants, and stating that no authority for such loans is given, was approved and ordered printed as a ruling.

The Secretary of the Board was ordered to advise the Federal Reserve Bank of Dallas accordingly.

The Comptroller of the Currency having communicated that he would return to Washington at 3:00 P. M. this day, it was agreed to defer the Board meeting from 11:00 A. M. to 3:00 P. M.

A letter from Counsel with reference to the status of a director who desires to serve on the Board of a savings bank in California without being either an officer or director, and taking the view that such action would be illegal, was brought to the attention of the Committee and Federal Reserve Agent Perrin ordered notified accordingly.

A letter from the First National Bank of Richmond with reference to the question whether it is necessary to require in a savings department that the passbook be presented at each withdrawal in order to retain the benefit of the 5% reserve requirement, was discussed and the decision reached that the Board would modify its past ruling.

A letter from Federal Reserve Agent Jay as to the present status of dollar exchange in South American countries was read to the Committee and noted.

A letter from Mr. James E. Zunts of the New Orleans Branch, with reference to certain proceedings against Mr. W. D. Wellborn, New Orleans representative of the Federal Reserve Agent, was read and the contents noted, the Governor to write a suitable letter.

A memorandum from Counsel to Mr. Delano as to modification of the definition of a private banker was discussed.

Affairs at the Federal Reserve Bank of Philadelphia affecting certain details of the clearing situation there, and the election of directors, were discussed, and suitable letters ordered written.

On motion at 10:45 A. M. the Committee adjourned.

J. P. ...
Secretary.

APPROVED:

[Signature]
Chairman.