

At a regular meeting of the Federal Reserve Board held in the office of the Board at 3 p. m. on Tuesday, October 17, 1916,

PRESENT:

- Governor Harding, presiding,      Mr. Delano
- Mr. Warburg                              Mr. Miller
- Mr. Hamlin                                Mr. Williams
- Mr. Willis, Secretary.

The minutes of the meetings of the Executive Committee on Thursday, October 12, and on Tuesday, October 17, and the minutes of the meetings of the Board on Thursday, October 12 (morning), Thursday, October 12 (afternoon), and Friday, October 13, were read and approved.

On motion, Mr. J. P. Cotton was given the official designation of "Consulting Counsel."

A letter from Assistant Secretary of the Treasury Malburn, announcing the shipment of conversion bonds to the owners thereof, was read and noted.

A communication from Mr. John H. Fedder, recently laid before the Board, was taken up and again tabled.

A telegram from Mr. George M. Reynolds, requesting a hearing for Mr. A. W. Harris, and a reply from Mr.

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Harding were read to the Board, and copies of the correspondence ordered sent to Federal Reserve Agent Bosworth.

The Secretary of the Board read the minutes of the proceedings of the Committee on Clayton Act, under date of October 14 and October 17. The same were, on motion, approved.

The case of Mr. J. Ogden Armour, referred to in the report of the Clayton Act Committee, and presented to the Board by that Committee without recommendation, was laid on the table.

The Governor of the Board presented the formal order relating to the appeal of the Wisconsin banks, and, on motion, the Secretary was directed to enter the same in the minutes and transmit it to all parties in interest.

At a stated meeting of the Federal Reserve Board, duly held at its office in the City of Washington, District of Columbia, October 12, 1916,

P R E S E N T:

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|-----------------------------|--------------|
| Mr. Harding, Governor       | Mr. Delano   |
| Mr. Warburg, Vice Governor, | Mr. Miller   |
| Mr. Hamlin                  | Mr. Williams |

.....:  
 In the Matter of Readjusting :  
 the Geographical Limits :  
 of :  
 Districts Nos. 7 and 9 in accord- :  
 ance with the power vested in the :  
 Federal Reserve Board by Section :  
 2 of the Federal Reserve Act. :  
 .....

ORDER AMENDING THE GEO-  
 GRAPHICAL LIMITS OF DISTRICTS NOS. 7 AND 9.

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WHEREAS, the Federal Reserve Board is authorized and empowered by Section 2 of the Federal Reserve Act to readjust the Federal reserve districts; and

WHEREAS, upon further consideration of -

- (a) The petition of certain banks in Wisconsin for the transfer from district No. 9 to District No. 7 of all that part of Wisconsin situated in District No. 9 east of the western boundaries of the counties of Ashland, Price, Taylor, Clark, Jackson, and Monroe;
- (b) The answer of the Federal Reserve Bank of Minneapolis;
- (c) The briefs of counsel and arguments heard by the Federal Reserve Board;

it appears to such Board that the convenience and customary course of business and the best interests of the Federal Reserve System will be served by a readjustment of the geographical limits of districts Nos. 7 and 9;

NOW THEREFORE, the Federal Reserve Board doth order -

(1) That district No. 7 be readjusted and altered so as to include the State of Iowa, all that part of Wisconsin located south of the northern boundary of the counties of Marinette, Oconto, Langlade, Marathon, and Clark; and east of the western boundary of the counties of Clark, Jackson, Monroe, Vernon, Crawford, and Grant; all of the southern peninsula of Michigan, viz, that part east of Lake Michigan; all that part of Illinois located north of a line forming the southern boundary of the following counties: Hancock, Schuyler, Case, Sangamon, Christian, Shelby, Cumberland, and Clark; and all that part of Indiana north of a line forming the southern boundary of the following counties: Vigo, Clay, Owen, Monroe, Brown, Bartholomew, Jennings, Ripley, and Ohio;

(2) That district No. 9 be readjusted and altered so as to include the states of Montana, North Dakota, South Dakota, Minnesota, all that part of Wisconsin not included in district No. 7, and all that part of Michigan not included in district No. 7;

(3) That the alterations in districts Nos. 7 and 9 directed in this order become effective January 1, 1917;

(4) That the Federal Reserve Bank of Chicago and Minneapolis be notified of the changes made in the districts referred to and directed to take such action as may be necessary for the transfer of membership of the banks included in the territory affected;

(5) That a copy of this order be filed with the Comptroller of the Currency in order that the certificate of the Reserve Bank Organization Committee may be properly amended.

An opinion of Counsel with reference to the status of a director in the Federal Reserve Bank of Boston, affected by the transfer of territory to New York, was read and on motion adopted. The Secretary was directed to notify Governor Aiken accordingly and insert the same in the Bulletin.

Governor Harding informally reported to the Board with reference to certain matters affecting the Federal Reserve Bank of Atlanta which had been referred to him, stating particularly the status of the Atlanta Bank's recent purchase of real estate intended as a site for a new bank building. It was agreed that the Governor should inform the Atlanta Bank of the Board's feeling in the matter with special reference to the failure of the Bank to keep the Board advised as to its intentions.

An opinion of Counsel, with reference to loans on city real estate up to one-half of the market value of improvements, was presented, and on motion referred to the Committee on Law.

On motion of Mr. Warburg, it was voted that the action of the Board in the case of Mr. Arthur Iselin of New York who had been authorized to serve on the boards

of directors of the Lincoln Trust Company and the Chemical National Bank of New York, be rescinded in view of new information which had been laid before the Board.

On motion, applications for stock in Federal Reserve banks, duly recommended by the Committee on Member and State Banks, were approved as follows:-

DISTRICT NO. 2. Shares.

Nichols National Bank, Nichols, N. Y. 1

DISTRICT NO. 5.

Merchants-Mechanics First Nat'l Bank, Balto.Md. 300

A statement to be issued to the press with reference to the history of the commodity rate at the Federal Reserve Bank of Minneapolis, was approved and ordered given out.

The Secretary's office was directed to employ an additional messenger, taking the same from the eligible list.

Executive business having been disposed of, Mr. Wade H. Cooper, President of the Union Savings Bank of Washington, D. C., and Mr. C. W. Warden of the Continental Trust Company, appeared before the Board and presented

arguments to show that there was no competition between the two institutions. They offered to turn over all existing commercial business now in the hands of the Union Savings Bank to the Continental Trust Company. The two witnesses having withdrawn, discussion as to the case presented by them ensued, and on motion the Board's former action with respect to Mr. Cooper was reaffirmed and information thereof ordered conveyed to him.

On motion at 5:20 P. M. the Board adjourned.

*J.P. Kelly*  
Secretary.

APPROVED  
*[Signature]*  
Chairman.