

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor at 11:10 A. M. on Monday, November 20, 1916,

PRESENT:

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

Mr. Harding read a letter from Federal Reserve Agent Wellborn as to the relations of Mr. Marcus Walker with the executive officials of the system, and approving of the suggestions recently made to him by the Board.

Mr. Harding presented a letter from the First National Bank of Cape Girardeau, Missouri, as to the deposit of postal funds in non-member banks. It was voted to send the letter to the Postmaster General with suggestions.

The Governor of the Board presented a letter from Secretary Curtis of the Federal Reserve Bank of New York with reference to the status of U. S. 2% bonds bought in November and December, and calling attention to the fact that the reserve banks were probably bidding against each other in the purchase of these bonds, further proposing that the joint committee now selling bonds for Federal

Reserve banks should be given power to buy also. The matter was referred to Mr. Warburg as a sub-committee to report.

A letter from Federal Reserve Agent Wellborn as to the erection of a bank building at Atlanta, and promising cooperation on the Board's plans, was read and noted.

A letter from Mr. J. E. Colwell, President of the Fourth and First National Bank of Nashville, as to the same matter, was read and noted.

The Governor of the Board called attention to a letter from Mr. R. Babson to the Secretary of the Treasury making certain suggestions as to the Federal Reserve system.

A letter from the Pompeian Oil Company, asking for a hearing with reference to the opening of foreign credits on behalf of themselves and certain member banks, was ordered answered with a letter stating that the Board or the Executive Committee would hear their arguments.

A sub-committee having recommended that the Federal Reserve Bank of New York be authorized to proceed with the proposed arrangement with the Bank of England as its foreign representative, it being definitely understood, however, that

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none except purely routine business would be undertaken,
the Secretary was directed to draft a report to the
Board accordingly.

A letter from the Comptroller of the Currency
with reference to the clearing situation in Minnesota,
was read and ordered returned to the Comptroller with the
information that it had been carefully noted.

An opinion of Counsel as to the revision of the
amounts of Federal Reserve agents' bonds every two years,
was ordered referred to Mr. Delano as a sub-committee, he
to make report to the Board.

General discussion of the Bank of England contract
and the problems of foreign operations of Federal Reserve
banks ensued.

It was voted that the Secretary of the Board be
authorized to visit, at the expense of the Board, Paterson,
New Jersey, where he is to deliver an address.

On motion at 12:30 P. M. the Committee adjourned.

H. Parker Willis
Secretary.

APPROVED:

[Signature]
Chairman.