

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11 A. M. on Monday, November 27, 1916,

## PRESENT:

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

Minutes were read and approved as follows:-

Executive Committee meetings of November 23rd and 24th, the action taken at these meetings being ratified; Board meetings of November 22nd, 24th (morning), 24th (afternoon) and 25th.

Mr. Williams asked that a minute be entered stating that had he been present at the time when the Board approved the letters to Federal Reserve agents, approving the creation of a joint committee to purchase 2% bonds, he would have voted against the transmission of the letter.

Mr. Williams stated that the resolution approving the letter did not impress him as quite in accord with the spirit of the anti-trust laws; and that he felt that concerted action of this kind might be open to criticism when it might be said that the end aimed at was to prevent a rise

in price, in response to the law of supply and demand, of the bonds of our own Government and the consequent enhancement of the Government credit. He therefore asked to be recorded as voting against the resolution.

The Board read and again revised the proposed statement for the press regarding foreign credits. In its revised form the statement was approved and ordered furnished for use in the morning newspapers of November 28th as a statement to be issued in the forthcoming number of the Federal Reserve Bulletin. The position to be given it in the Bulletin and the method of publication there, were, on motion, referred to the Committee on the Federal Reserve Bulletin.

The Governor of the Board read a letter from the Comptroller of the Currency with reference to the appointment of Mr. David Murphy as National bank examiner at a salary of \$2,400 per annum. On motion, it was voted to approve the recommendation of the Comptroller.

A memorandum of Mr. Broderick with reference to the reporting of member bank reserves, was read and referred to the Executive Committee with power to act.

Letters from Governor McDougal of Chicago with

reference to the conversion of bonds were read.

Mr. Williams suggested a proposed amendment to the law relating to the subject of conversion, and Mr.

Hamlin moved to ask the Comptroller to write out and submit his views on the subject.

On motion it was voted to approve the conversion of \$2,890,000 of bonds on behalf of the Federal Reserve Bank of Chicago, as requested, and to take up for discussion with the Secretary of the Treasury the question of converting these bonds into 30-year bonds entirely, instead of one-half bonds and one-half notes. The motion prevailed, Mr. Williams being recorded as not voting.

On motion, the release of \$1,000,000 of Federal Reserve notes from the Sub-treasury at Philadelphia to the Federal Reserve Agent at that place was approved on the recommendation of the Committee on Issue and Redemption.

A letter from Governor Sawyer, asking authority on behalf of the Federal Reserve Bank of Kansas City to make a Christmas gift of \$15 to each employee of the bank, was referred to the Governor with the request that he reply in the same way as last year.

Letters addressed to the Federal Reserve Bank of Atlanta approving its action in purchasing a building site were presented to the Board and contents noted.

A letter from the National Silk Association asking for additional information about trade acceptances, was presented to the Board and the Secretary of the Board authorized to transmit such information.

Mr. Williams having suggested the preparation of a simple statement or "primer" about the working of the Federal Reserve Act, the matter was referred to Mr. Hamlin with the assistance of Mr. Willis.

The question of joint ownership of trust companies and national banks by the same group of stockholders was taken up and discussed, and it was informally agreed to await an opinion of Counsel in regard to the matter.

Mr. Hamlin having reported in favor of granting authority to the Federal Reserve Bank of Cleveland to pay a dividend up to June 30, 1915, on behalf of the Committee on Operation of the Cleveland Bank, it was, on motion, voted that the authority be granted, the Secretary writing the Bank accordingly.

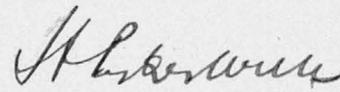
The Secretary of the Board presented a report of the committee in charge of the selection of Class C directors at Boston and Philadelphia. The report was received and ordered laid on the table.

The report of the Committee on the Clayton Act relative to the eligibility of Mr. P. S. Straus as a director, was received and on motion it was voted that Mr. Straus shall be considered eligible. Mr. Williams was recorded as not voting.

An opinion of Counsel with reference to trade acceptances was presented, and on motion, referred to the Committee on Law, Mr. Hamlin to act as a sub-committee.

On motion it was voted that the Governor send to the firm of J. P. Morgan & Company a short telegram advising them that the Board intends to issue today a statement relating to foreign credits.

On motion at 12:55 P. M. the Board adjourned to meet on Wednesday, November 29th at 10 A. M.

  
Secretary.

APPROVED:

                      
Chairman.