

At a regular meeting of the Federal Reserve Board held in the office of the Board on Monday, February 5, at 11 a. m.,

PRESENT:

Mr. Harding, presiding, Mr. Warburg,

Mr. Hamlin, Mr. Williams,

Mr. Miller, Mr. Willis, Secretary.

Mr. Delano.

The minutes of the meetings of the Board of February 3d (morning) and February 3 (afternoon) were read, and, on motion, approved.

Discussion of the present status as to the supply of Federal reserve notes being taken up, it was on motion voted that the Governor of the Board communicate with the Federal Reserve Agents, stating that the present policy of the Board is to keep available a minimum of \$900,000,000 in Federal reserve notes, printed and ready for shipment, and asking that each Federal reserve agent telegraph his requirements.

On motion it was voted to ask the Treasury Department to distribute the entire available supply of Federal

reserve notes now on hand to the various subtreasuries and mints in order that they may be readily available at the points nearest in each case to a Federal reserve bank. It was agreed that a letter embodying this request be prepared and presented to the Secretary of the Treasury by the Governor of the Board.

The Secretary of the Board presented a memorandum with reference to a shipment of notes to the Federal Reserve Bank of New York, accompanied by a requisition for such notes. The memorandum stated that after requisition had been forwarded by Mr. Jay he telephoned to Mr. Allen on Sunday, asking that \$15,000,000 of notes in the following denominations be sent as early as possible Monday morning:

\$5 denomination	\$5,000,000
10 "	5,000,000
20 "	5,000,000

Adjusting this requisition to fit the telephone order, the amounts required to be shipped were shown to be as follows:

\$5 denomination	\$5,300,000
10 "	5,360,000
20 "	---
50 "	1,600,000
100 "	1,600,000
Total.....	\$13,860,000

On motion, the requisition was approved.

The Governor of the Board read to the Board a letter from Mr. J. D. F. Francis of St. Louis, with reference to his bank directorships, stating that while he assented to the ruling of the Board, he thought it unjust that he should be subject to requirements different from those already made applicable to directorships in other parts of the country. It was agreed that the Governor of the Board write to Mr. Francis asking him to make a specific statement of the cases he had in mind.

The Governor of the Board presented a letter from the Executive Committee of the American Bankers' Association inviting the Board to attend the Annual Convention of that Association at Atlantic City on September 27, 1917. It was agreed that the Governor express thanks for the invitation and state that the Board will endeavor to be represented at the convention, further information to be transmitted later.

A letter addressed to the President by the Pompeian Oil Company and transmitted through the Treasury

Department, was referred to the Executive Committee.

A letter from the First National Bank of Cary, addressed to the President and transmitted through the Treasury Department, and referring to the present status of the Clearing System, was referred to the Committee on Clearings.

The minutes of the meetings of the Clayton Act Committee held on Tuesday, January 30th, and Friday, February 1st, were read and approved, and the action therein set forth ratified.

A requisition for Federal reserve notes from the Federal Reserve Bank of Atlanta, duly recommended by the Committee on Issue and Redemption, was approved as follows:

\$ 20 denomination	\$400,000
50 "	600,000
100 "	1,200,000

It was, however, stated by the Committee that notes could be shipped at present only as follows:

\$ 10 denomination	\$400,000
20 "	200,000
100 "	400,000

It was informally agreed to telegraph Mr. Wellborn that the rest of his total order could be filled in denominations other than those he had specified and requesting that he advise the Board whether he desired such other denominations, and if so, in what proportion.

Mr. Hamlin stated that he had asked the Counsel to be present in view of the fact that he wished to inform the Board of the situation existing in Maine with reference to the taxation of deposits in national banks and the practise now prevalent in Massachusetts with reference to the imposition of the income tax on savings in national banks in Massachusetts.

After discussion, it was, on motion, voted that Federal Reserve Agent Curtiss be asked to take up with his own Counsel the question what relief could be obtained in both of these matters, and both subjects were referred to the Law Committee, with power to act.

A letter from Federal Reserve Agent Wellborn with reference to the shipment of notes to the Subtreasury at New Orleans, there to be held for possible later re-

lease, was presented, and on motion it was voted that requisition be made upon the Comptroller to ship such notes, as follows:

\$5 denomination	\$400,000
10 "	400,000
20 "	800,000
50 "	600,000
100 "	800,000
Total.....	\$3,000,000

On motion it was voted that the Committee on Issue and Redemption prepare a general statement for transmission to all Federal Reserve Agents telling them of the various problems in connection with the preparation and transmission of Federal Reserve notes and impressing upon them the necessity of using as much foresight as possible in anticipating their probable demands.

On motion the Secretary of the Board was directed to obtain for each member a statement of the amount of Aldrich-Vreeland currency issued to the various sections of the country at the time of the demand for notes of that description in 1914.

The Governor of the Board presented opinions

of Counsel, which were acted upon as follows:

An opinion with reference to the claim of the Wallace National Bank, of Wallace, Idaho, against the Federal Reserve Bank of San Francisco, on dividend account. The opinion was ordered filed and a copy transmitted to Federal Reserve Agent Perrin.

An opinion relative to the claim of the Aetna National Bank of Hartford, Conn., against the Federal Reserve Bank of Boston, on dividend account. The opinion was referred to the Committee on Law, with power to act.

An opinion relative to the power of stockholders of national banks who are also stockholders in a trust company to deposit their stock both in the bank and trust company in question for reissue in a form or under conditions making stock in the one institution non-transferable unless transferred jointly with the stock in the other institution. The opinion was ordered circulated, and the Governor gave notice that at the next regular meeting of the Board he would move to refer the

opinion to the Chairman of the Committee on Treasury Relations with instructions to take it up for discussion with the Chairman of the Board. On motion it was voted to request the Law Committee to have prepared an abstract of the opinion of Solicitor General Lehman on points bearing upon the question involved in the Counsel's opinion and to obtain such other data relative thereto as were available, including the Chicago and Ithaca plans.

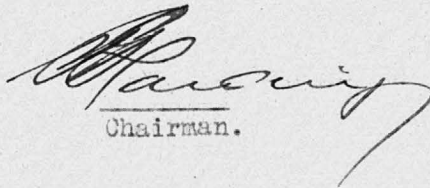
The Governor of the Board read a letter from the Central Bank and Trust Company of Atlanta stating its position as to membership in the Federal Reserve System. The communication was passed to file.

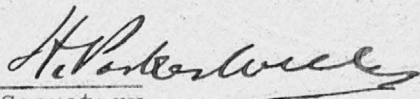
The Governor of the Board presented the question of a form of letter to be addressed to the Governor of the Federal Reserve Bank of New York with reference to certain cable messages transmitted by that bank to the Bank of England in December, 1916. After discussion it was voted to refer the matter to the Executive Committee, with the request that that Committee consult with the Chairman of the Board as to the form of letter to be sent.

The Governor of the Board read a telegram from Governor Strong, from Phoenix, Arizona, stating that if necessary he could return to New York for a short period. The Governor informed the Board that he had responded stating that such action was not now necessary. /

On motion, at 12.50 p.m. the Board adjourned, to meet on Wednesday, February 7, at 11 a.m.

APPROVED:


Chairman.


Secretary.

The Department of the Interior
Washington, D.C.
February 1, 1901
Honorable J. M. McKim
New York City
Dear Sir:
In reply to your letter of the 28th inst.
relative to the application of the
National Monument Act to the
site of the old Fort Mifflin
in Philadelphia, Pa., I have the
pleasure to inform you that the
Department is in favor of the
protection of the site as a
National Monument.

Very respectfully,
J. M. McKim
Secretary of the Interior