

At a regular meeting of the Federal Reserve Board held in the office of the Board at eleven a.m., on Friday, February 9,

PRESENT:

Mr. Warburg, presiding, Mr. Miller,
Mr. Delano, Mr. Willis, Secretary.
Mr. Hamlin,

The minutes of the meeting of the Board held on February 7 were read and approved.

The minutes of the meeting of the Executive Committee held on February 8 were read and on motion approved, and the action therein set forth ratified.

A memorandum report submitted by Governor Harding with reference to a conference he had recently had with the Comptroller of the Currency regarding the storage of Federal reserve notes at Subtreasuries and mints nearest the reserve banks, was discussed and, on motion, referred to the Committee on Issue and Redemption for further detailed report as to the amount of such reserve notes which should be stored in each Subtreasury and mint, with the understanding that the said Committee report its findings to the Executive Committee, and that the latter have full

power to act, notifying the Comptroller of the Currency
of its views.

Issues of Federal reserve notes, duly approved
by the Committee on Issue and Redemption, were approved
as follows:

Federal Reserve Bank of Chicago:

50's \$400,000

100's 400,000

Federal Reserve Bank of Philadelphia:

10's \$1,000,000

20's 2,000,000

Federal Reserve Bank of Boston:

5's 3,000,000

10's 2,000,000

The forwarding of notes to the Subtreasury at
Chicago, upon the request of the Federal Reserve Bank
of Chicago, was authorized as follows:

5's 4,000,000

10's 3,560,000

20's 3,600,000

50's 600,000

100's 800,000

\$12,560,000

On motion a rate of 5% for paper of 6 months' maturity, established by the Federal Reserve Bank of St. Louis, was approved, and the St. Louis Bank ordered notified accordingly.

A telegram from Mr. J. W. Maxwell of Seattle to Honorable Miles Poindexter, transmitted by the Secretary of the Treasury, and asking the establishment of a reserve bank in Seattle, was read, discussed, and the correspondence referred to the Executive Committee with power to act.

A report from the Comptroller of the Currency with reference to changes in the staff of national bank examiners occurring during the year 1917 was read and noted, and, on motion, referred to the Committee on Staff.

Letters from the Pompeian Company were presented to the Board and, on motion, ordered referred to the Governor for appropriate action.

On motion the application of the Citizens National Bank of Petty, Texas, for authority to reduce its capital stock in the sum of \$13,000, and its surplus from \$10,000 to \$7,400, duly recommended by the Comptroller of the Cur-

rency and the Committee on Member and State Banks, was approved.

A letter from Deputy Comptroller Kane making inquiry with reference to minor discrepancies between the stock in Federal reserve banks held by member banks and the legal 3% stock requirement, was ordered answered with the statement that such minor discrepancies are likely to exist temporarily.

A letter from Federal Reserve Agent Hardy with reference to the use of the title of Vice Governor at reserve banks was read and, on motion, it was voted that the title of Deputy Governor be uniform, and the Federal reserve banks employing the term Vice Governor be notified to make the change.

A letter from Mr. J. F. Thralls with reference to collection charges by member banks, was read and noted.

An opinion of Counsel with reference to the status of creditors of foreign branches of national banks, with a memorandum of Mr. Hamlin thereon was read and, on motion, referred to the Law Committee.

A letter addressed by Counsel to the Governor of the Board with reference to the transmission of replies

to inquiries direct from Counsel's office to outsiders was read and, on motion, it was voted that all replies to inquiries should be transmitted over the signature of the Governor or the Secretary of the Board, following the practice heretofore in vogue.

A letter addressed by Federal Reserve Agent Wills to Mr. Hamlin with reference to withdrawals by depositors in various towns in the Cleveland district, was read and noted.

A memorandum from the Division of Audit and Examination stating that the Commonwealth Trust Company had complied with the conditions imposed by the Board as preliminary to its admission to the Federal reserve system, was read and, on motion, it was voted that the application of the Trust Company for 900 shares of capital stock in the Federal Reserve Bank of Boston be approved.

On motion the shipment of Federal reserve notes to the Subtreasury at St. Louis for the Federal Reserve Bank of Kansas City, was approved as follows:

5's	\$2,400,000
10's	1,200,000
50's	1,200,000
100's	200,000

A report from the Committee on Audit and Examination that the charge for the examination of the Mercantile Trust Company of St. Louis be based on the actual expenses incurred by the Federal Reserve Bank of St. Louis, without charge for salaries, was read and, on motion, the recommendation of the Committee was approved.

On motion the recommendation of the Committee on Staff that Mr. Roger A. Baldwin be appointed to the staff of the Secretary's office at a salary of \$1800 per annum, his duties to be primarily in connection with the book-keeping of the Gold Settlement Fund and such other functions as may be assigned to him, was approved, the appointment to become effective upon the arrival of Mr. Baldwin.

On motion at 12.20 p.m. the Board adjourned to meet on Monday, February 12, at eleven a. m.

APPROVED:

H. P. Carlville
Secretary.

Chairman.