

At a regular meeting of the Federal Reserve Board held in the office of the Board on Monday, February 12, at eleven a.m.,

PRESENT:

Mr. Harding, presiding,

Mr. Hamlin,

Mr. Warburg,

Mr. Willis, Secretary.

Mr. Delano,

The minutes of the meeting of the Board held on February 9 were read and, on motion, approved.

The minutes of the meeting of the Executive Committee held on February 10 were read and, on motion, approved, and the action therein set forth ratified.

The question of certain changes in the proposed amendments now pending before Congress with reference to the management of the Gold Settlement Fund were discussed, and modifications therein were called to the attention of Counsel, the matter being referred to the Executive Committee with power to dispose of the same, the Governor to report the result to the Senate Committee on Banking at the meeting to be held on Tuesday, February 13.

Governor Harding submitted the draft of a bill amending the National Bank Act which had been transmitted by Federal Reserve Agent Perrin with favorable recommendation. The matter was referred to the Committee on Law.

Governor Harding called attention to sundry replies that were being received to his general letter on the desirability of increasing the stock of Federal reserve notes. He read a letter from Federal Reserve Agent Curtiss transmitting an order for notes, and also presented a letter from Federal Reserve Agent Wellborn requesting the printing of a proportionate share for the Atlanta Bank. After discussion it was agreed that all letters be transmitted to the Committee on Issue and Redemption in order to be tabulated and action taken accordingly.

The report of the Committee on Issue and Redemption relative to the comparative amounts of notes properly to be stored in Subtreasuries and mints, was presented, as well as a letter addressed to the Comptroller of the Currency expressing the Board's view of the matter. On motion

the report was approved and the letter ordered transmitted by the Secretary of the Board.

Governor Harding stated informally that he had suggested to the Comptroller of the Currency that notes to be held by the Subtreasurer at New York, protected by a joint combination, and that the Comptroller had assented to the proposal.

Mr. Delano reported informally the substance of a memorandum submitted by former Federal Reserve Agent Bosworth as to an alleged laxity in the present mode of delivering notes to the Federal Reserve Agent by Subtreasuries, as illustrated by the practice in Chicago. The question was referred to the Committee on Issue and Redemption for early report.

On motion a requisition for the shipment of Federal reserve notes to the Federal Reserve Agent at New York, was approved as follows:

5's	\$6,700,000
10's	<u>6,720,000</u>
Total	\$13,420,000

A letter submitted by Mr. Hamlin for transmission

to Federal Reserve Agent Curtiss relative to certain proposed legislation in the State of Maine, was presented, and, on motion, referred to the Executive Committee with power to act.

A letter from Federal Reserve Agent Wills inquiring whether acceptances drawn for purposes other than the purchase of goods would be "eligible," was referred to the Committee on Investments.

The Secretary of the Board presented the question of a new issue of circulars and regulations, and it was agreed that the matter be taken up immediately after the adjournment of Congress.

A report from the Committee on Investments with reference to the question of the simplification of rates of discount, was presented and, on motion, the matter was laid on the table pending the circulation of the report among the members of the Board.

A letter of the American National Bank of Nashville, Tenn., transmitting certain correspondence relative to a loss of interest on a transfer of funds from Kansas

City to New York was presented and, on motion, referred to the Committee on Clearings.

On motion at 11.55 a.m. the Board adjourned to meet on Tuesday, February 13, at 11 a.m.

APPROVED:

[Handwritten Signature]
Chairman.

[Handwritten Signature]
Secretary.