

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Board on Wednesday, February 21st, at 10 a.m.,

PRESENT:

Mr. Harding,                      Mr. Willis, Secretary.  
Mr. Warburg,

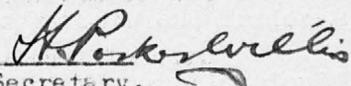
Governor Harding presented a letter from Governor Rhoads of Philadelphia relative to the recent loss of \$2,000 incurred by the Federal Reserve Bank of Philadelphia, and also several letters on the same topic from the Governors of other reserve banks. The correspondence was noted and passed to file.

Governor Harding presented a letter from the Secretary of the Treasury with reference to the redemption of outstanding one-year Treasury notes on April 1, 1917, which had been referred to the Committee by the Board. After discussion it was voted to ask the Secretary of the Treasury to permit the banks to take new notes in direct exchange for old ones, and where the old notes are owned by other persons, to permit each Federal reserve bank to provide for the payment of any necessary balance through the

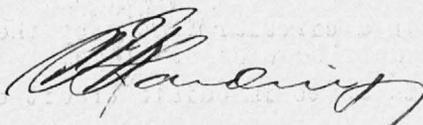
Gold Settlement Fund, the deposit of the old notes and the issue of the new ones to be effected direct through the Treasurer of the United States. It was agreed that the Governor of the Board should address a letter to the Secretary of the Treasury on the subject..

Governor Harding presented a letter from the Comptroller of the Currency regarding the mode of paying assessments on national banks for the cost of examinations through Federal reserve banks. After discussion it was agreed that a plan transmitted by the Comptroller of the Currency in the letter referred to for the making of the payments in question be approved, and that the Governor of the Board notify the Comptroller to that effect, and subsequently issue instructions to the Federal Reserve banks regarding the method of handling certificates of deposits..

On motion at 10.23 a.m. the Committee adjourned.

  
Secretary..

APPROVED:..

  
Chairman.