

At a regular meeting of the Federal Reserve Board held in the office of the Board on Wednesday, February 26, at eleven a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on Monday, February 26, were read and, on motion, approved.

On motion, it was voted to supply to the Banking Commissioner of New Jersey copies of the Board's examinations of New Jersey State member banks when made.

On motion the application of the Peoples National Bank of Winston-Salem, N. C. to reduce its capital stock from \$300,000 to \$150,000, was approved.

On motion it was voted to approve the employment of a secretary to Federal Reserve Agent Hardy at a salary of \$1500 per annum.

The reports of examination of the Federal Reserve Bank of Dallas and of the accounts of the Federal Reserve Agent at that place, were referred to the Committee on op-

erations of the Dallas Bank.

Applications for the shipment and release of Federal reserve notes, previously acted upon by the Executive Committee, were approved as follows:

Federal Reserve Bank of New York:

\$10 denomination	\$6,400,000	Feb. 20
50 "	6,600,000	" 22
10 "	6,720,000	" 24

Federal Reserve Bank of Chicago: - Released:

\$20 denomination	\$ 960,000	Feb. 20
10 "	200,000)	
20 "	1,040,000)	" 21
50 "	400,000)	
20 "	1,040,000	" 26

Shipment

\$50 denomination	2,400,000	" 19
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Federal Reserve Bank of New York: Shipment -

\$ 5 denomination	1,000,000	" 27
20 "	4,000,000	" 27

Federal Reserve Bank of Chicago: Shipment -

\$20 denomination	4,000,000	" 28
50 "	800,000	" 28

A form of memorandum order for printing Federal reserve notes, to be addressed by the Committee on Issue and Redemption to the Executive Committee, was read and by agreement laid on the table.

A report of the Committee on Issue and Redemption recommending a plan for getting Federal reserve notes from Subtreasuries upon signatures of two officers of reserve banks, was read and, on motion, laid on the table.

Governor Harding read a suggested form of statement regarding the purchase of foreign bonds by banks. Discussion ensued. On motion it was voted that it was the sense of the Board that a statement ought to be issued designed to remove any misconception as to the meaning of the Board's former statement as to foreign financing in the United States, and intended to set forth the general attitude of the Board on this whole question in view of the new conditions which have presented themselves; and that there should be prepared by each member of the Board a suggested draft or form of such statement.

On motion it was voted that Mr. Harding and Mr. Warburg prepare a letter to Senator Owen, Chairman of the Senate Committee on Banking and Currency, setting forth the necessity of the Board's amendments and their essential character in view of the present international emergency.

On motion it was voted to authorize a reduction in capital stock of the First National Bank of Bennington, Oklahoma, from \$50,000 to \$25,000, the same being recommended by the Comptroller of the Currency.

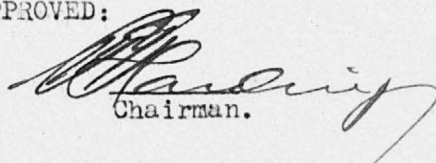
The Secretary of the Board having presented the question of methods of dealing with confirmations of orders for Federal reserve notes, already acted upon it was agreed that such confirmations be signed and transmitted to the Comptroller, the same as original orders, but that they be plainly marked in each case "Confirmation."

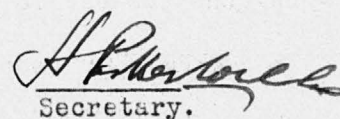
The application of the Federal Reserve Bank of San Francisco for approval of a new schedule of discount rates for that bank was, on motion, voted as follows:

For paper maturing within 15 days, including collateral notes)	3 1/2%
Paper maturing from 16 to 30 days.....	4 1/2%
" " " 31 to 90 "	4 1/2%
Trade acceptances, 30 to 90 days.....	3 1/2%
Commodity paper within 30 to 90 days	3 1/2%
Agricultural paper, 90 to 180 days	5 1/2%
Bankers' acceptances 30 to 90 days	2% to 4%

On motion at 12.40 p.m. The Board adjourned, to meet this day at 4 p.m.

APPROVED:


Chairman.


Secretary.