At a regular meeting of the Federal Reserve Board held in the office of the Governor at eleven a.m. on Tuesday, March 6,

PRESENT:

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

The minutes of the meeting of the Board held on Friday, March 2, were read and approved.

Resolutions prepared by the Committee on Issue and Redemption with reference to the conditions under which notes should be issued by subtreasury officers to Federal reserve agents, made a special order for this meeting, were brought up, and after discussion were adopted in modified form as follows:

WHEREAS, The Federal Reserve Act provides that Federal reserve notes may be deposited in subtreasuries or mints of the United States for safekeeping, and may be delivered to Federal reserve agents upon order of the Comptroller of the Currency acting under the general supervision of the Federal Reserve Board, and

WHEREAS, The Board desires to adopt all necessary and proper safeguards against loss in making such deliveries,

NOW, THEREFORE, BE IT RESOLVED, That the Comptroller of the Currency be and he is hereby requested to stipulate in the order for delivery of notes to Federal reserve agents that no delivery shall be made to a Federal
reserve agent except in the presence of at least one other officer of the Federal reserve bank to which such Federal reserve agent is accredited.

RESOLVED FURTHER, That the Secretary of the Treasury be and he is hereby requested to direct the Treasurer of the United States and Director of the Mint to require all receipts accepted for Federal reserve notes delivered to Federal reserve agents to be witnessed by a duly authorized officer of the bank to which such Federal reserve agent is accredited.

RESOLVED FURTHER, That the board of directors of each Federal reserve bank be and they are hereby requested to designate and authorize one or more officers of such bank to witness the delivery of all Federal reserve notes to the Federal reserve agent of such bank and to sign receipts as evidence of this fact.

On motion it was voted that the Governor be authorized to prepare a letter addressed to all Governors of Federal reserve banks suggesting that such banks join with the Federal reserve agents in assuming custody of Federal reserve notes.

On motion the issue of Federal reserve notes, already authorized by the Executive Committee since the last meeting of the Board, under existing regulations was approved as follows:

Federal Reserve Bank of St. Louis - shipment,

March 1, $960,000
Federal Reserve Bank of Chicago - Release,
March 2: 10's $520,000
20's  480,000

Correspondence relating to a draft drawn by the Cudahy Packing Company on the Mechanics & Metals National Bank of New York, including a letter from Federal Reserve Agent Jay explaining the action of the Federal Reserve Bank of New York in declining to clear the draft in question, was submitted to the Board, and the Secretary of the Board directed to write the Cudahy Packing Company conveying the information called for by recent inquiry.

On motion it was voted that henceforward there be added to the endorsement of gold certificates in the Gold Settlement Fund the words "or a Federal reserve agent."

Correspondence with Governor Seay of Richmond relative to the establishment of a branch of the Federal Reserve Bank of Richmond in Baltimore, was referred to the Committee on Operation of the Richmond Bank.

The application of the Federal Reserve Bank of Boston for authority to make arrangements with the Philippine National Bank to act as correspondent of the Federal Reserve Bank of Boston, in the Philippine Islands, such
arrangements to be subject to the approval of the Federal Reserve Board, was approved.

Mr. Hamlin gave notice that he would ask to have the question of a director of the Federal Reserve Bank of St. Louis who should, if possible, be representative of the City of Louisville, acted upon at the next meeting of the Board. On motion, the matter was made a special order for the next meeting.

On motion it was voted that the question of the compensation of Federal reserve agents be made a special order for the next meeting of the Board.

On motion, it was voted that the Law Committee be requested to re-examine the by-laws of the Board with a view to simplifying those relating to the operation of branches of reserve banks, in so far as possible, the purpose being that of bringing such branches under the strictest possible control of the head office with which they are connected.

On motion, it was voted that the committees on Operation of the Richmond, Cleveland, St. Louis and San Francisco Reserve Banks be requested to report as soon
as possible regarding the necessity of establishing branches of Federal reserve banks in their respective districts.

Mr. Miller presented a letter from Federal Reserve Agent Perrin suggesting the desirability of holding hearings in the Twelfth Federal Reserve District at Salt Lake City, Seattle and Portland in regard to the question of branches. No action was taken.

Letters from the Comptroller of the Currency notifying the Board of changes in the national bank examination staff during the month of February, and also recommending the promotion of Examiner W. W. Paddock to a salary of $3,000 per annum, were referred to the Committee on Staff.

Correspondence from Governor McCord of Atlanta with reference to charges for the shipment of unfit Federal reserve notes, was referred to the Committee on Issue and Redemption.

A letter from the Federal Reserve Bank of Cleveland relative to the purchase of $50,000 in warrants of the Board of Education of the village of Cleveland Heights,
was presented and, on motion, it was agreed to authorize the purchase of these warrants, the Secretary so to notify the bank.

A letter from Federal Reserve Agent Perrin transmitting certain correspondence with Mr. Alden Anderson relative to agricultural paper, was ordered circulated.

A letter from Acting Governor Treman with reference to the proposed meeting of a Committee of Governors, was referred to the Clearing Committee with power to take any action necessary.

On motion, it was voted that the Committee on Operation of the Federal Reserve Bank of New York be requested to report at its early convenience with reference to the present status of the Governorship of the Federal Reserve Bank of New York.

A letter from Governor C. D. Cord of Atlanta asking for 500 copies of the Board's issue of circulars for 1916, was read and the Secretary instructed to provide the same at the cost of the Federal Reserve Bank of Atlanta.

A report of the Committee on Member and State Banks with reference to trustee and executorship applications, was
presented to the Board and, on motion, acted upon as follows:

The following applications for permission to exercise fiduciary powers were approved:

EXECUTOR, TRUSTEE, ADMINISTRATOR AND REGISTRAR.

1. West Branch National Bank, Williamsport, Pa. 3
2. First National Bank, Mishawaka, Ind. 7

TRUSTEE, EXECUTOR AND ADMINISTRATOR.

1. Citizens National Bank, Roswell, New Mexico, 11

The following application was held pending receipt of report of next examinations:

1. Commercial National Bank, Shreveport, La. 11

On motion, the report of the Committee on Member and State Banks relative to the issue and surrender of stock in Federal reserve banks, was approved as follows:

Applications for the Surrender of Stock.

<table>
<thead>
<tr>
<th>District No.</th>
<th>Bank Name</th>
<th>Location</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 2</td>
<td>First National Bank</td>
<td>Somerville, N.J.</td>
<td>150 150</td>
</tr>
<tr>
<td>No. 4</td>
<td>First National Bank</td>
<td>Williamsburg, Ohio</td>
<td>16 16</td>
</tr>
<tr>
<td>No. 5</td>
<td>Farmers &amp; Mechanics National Bank</td>
<td>Parkersburg, W. Va.</td>
<td>90 90</td>
</tr>
</tbody>
</table>

Total........ 256
Applications for Original Stock.

District No. 2.
North Brookfield National Bank
North Brookfield, Mass. 38 38

District No. 3.
Peoples National Bank
Lemasters, Pa. 8 8

District No. 4.
First National Bank
Woodlawn, Pa. 55
First National Bank
New Vienna, Ohio. 9 64

District No. 6.
Bibb National Bank
Macon, Ga. 92 92

District No. 7.
American National Bank
Racine, Wis. 50 50

Total........... 252

Governor Harding presented a letter from Vice President Warden of the Continental Trust Company of Washington, with reference to the transfer of funds to the Bank of Spain through the Bank of France. The letter was noted and left in the hands of the Governor for such action as might be necessary.

On motion at 12.40 p.m. the Board adjourned to meet on Wednesday, March 7, at 11 a.m.

APPROVED.

Chairman.

Secretary.