At a special meeting of the Federal Reserve Board held in the office of the Governor on Tuesday, March 27, at 3.50 p.m.,

PRESENT:

Mr. Harding, presiding, Mr. Hamlin,

Mr. Warburg, Mr. Williams,

Mr. Miller, Mr. Willis, Secretary.

Governor Harding laid before the Board a communication from the Secretary of the Treasury, announcing his intention of issuing $50,000,000 temporary certificates of indebtedness at 2%, and suggesting that they be offered to the Federal Reserve Banks.

On motion the following telegram was authorized and ordered transmitted:

> Secretary of Treasury informs Board he will offer to Federal Reserve Banks certificates of indebtedness authorized by existing law in suitable denominations aggregating fifty million dollars for ninety days at two per cent interest rate, in anticipation of income taxes due June. Please advise Board promptly if you wish to participate, stating amount desired. Funds should be available to Treasury on or before Saturday next. Secretary of Treasury expresses opinion that this is excellent opportunity for Reserve Banks to secure desirable short-time investment and demonstrate their usefulness fiscal agents of Government.

Discussion of the lending policy of Federal reserve banks ensued.

On motion at 4.07 p. m. the Board adjourned.

H Pickerbowe
Secretary.

APPROVED:

Chairman.