

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

## PRESENT:

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

The minutes of the meetings of the Board held on March 27, morning and afternoon, were read and, on motion, approved.

A letter from Federal Reserve Agent Austin of Philadelphia with reference to the question of the continuation of salaries of employees who might enlist for military or naval service, was read and, on motion, referred to the Governor for report as to the proper policy to be followed.

Changes in capital stock of Federal Reserve Banks, duly recommended by the Committee on Member and State Banks, were approved as follows:

Applications for Surrender of Stock.

<u>District No. 3.</u>	Shares.
Lemasters National Bank	Lemasters, Pa. 23

Applications for Original Stock.

Applications for Original Stock.

<u>District No. 2.</u>		Shares	
Croghan National Bank	Croghan, N.Y.	14	
Brasher Falls National Bank	Brasher Falls, N.Y.	<u>12</u>	26
<u>District No. 9.</u>			
First National Bank,	Brewster, Minn.	<u>18</u>	18
<u>District No. 12.</u>			
First National Bank	Blythe, Cal.	<u>18</u>	<u>18</u>
	Total .....		62

Mr. Miller on behalf of the Committee on Staff submitted without report a letter from the Comptroller of the Currency with reference to the designation of an examiner at large for District No. 3, and the appointment of an examiner to succeed him. On motion it was voted to approve a salary of \$2400 per annum for Mr. James M. Dunbar to fill the vacancy in this District created by the designation of former Examiner Borden as examiner at large.

Governor Harding read a letter from Federal Reserve Agent Wills proposing a plan for the prompt release of notes from the Subtreasury at Cincinnati in favor of Cincinnati member banks, such plan to be resorted to in the event of sudden pinch or stringency. The plan was dis-

cussed, Governor Harding further reading the draft of a letter in reply to Mr. Wills which he intended to transmit.

Note shipments previously authorized by the Executive Committee in accordance with the regulations of the Board, were given formal approval as follows:

FEDERAL RESERVE BANK OF CLEVELAND:

\$800,000 \$20 denomination March 23

FEDERAL RESERVE BANK OF NEW YORK:

\$6,400,000 \$100 " " 23

FEDERAL RESERVE BANK OF PHILADELPHIA:

\$2,280,000 \$ 10 " " 24
800,000 20 " " "

FEDERAL RESERVE BANK OF CHICAGO:

\$ 480,000 \$ 10 " )
1,920,000 20 " ) 23
400,000 50 " )
400,000 100 " )

FEDERAL RESERVE BANK OF DALLAS:

\$ 800,000 \$100 " " 26

FEDERAL RESERVE BANK OF CLEVELAND:

\$ 800,000 \$10 " )
1,600,000 20 " ( " 28
400,000 50 " )

On motion the Secretary of the Board was authorized to certify to the correctness of the form of trade acceptance employed by the Harley-Davidson Motor Company, which had previously been approved by the Board, by writing across the face of such acceptance over his signature the following words:

"Upon your request, I certify that trade acceptances of this form comply with the regulations of the Federal Reserve Board with respect to 'eligible trade acceptances'."

A draft of by-laws for use at the proposed branch of the Federal Reserve Bank of San Francisco in the Pacific Northwest, was presented to the Board, and the chief points contained in it were informally discussed and accepted in principle. Further correspondence with Federal Reserve Agent Perrin was also read for the purpose of giving to Mr. Miller prior to his departure for the Northwest the Board's general point of view with regard to matters likely to come before him during his absence. With reference to the point in the Pacific Northwest where the proposed branch should be located, the opinion was generally expressed that Port-

land, Oregon, was probably the best place.

Mr. Miller called attention to a suggested plan whereby the paper actually in the hands of a distant bank and held for the Federal reserve bank, might be used as a basis for note issue. He further called attention to the views of Federal Reserve Agent Perrin with reference to the investment policy of the Federal reserve banks in its bearing especially upon the situation at San Francisco, particularly as to bankers' acceptances. The matter was discussed at length, but no formal action was taken.

On motion at 12.40 p.m. the Board adjourned to meet on Friday, March 30 at eleven a.m.

*H. Parker Willis*  
Secretary.

APPROVED:

*[Signature]*  
Chairman.