

At a regular meeting of the Federal Reserve Board held in the office of the Governor at 10.30 a.m. on Wednesday, April 16,

PRESENT:

Mr. Harding, presiding, Mr. Miller,

Mr. Warburg, Mr. Williams,

Mr. Delano, Mr. Willis, Secretary.

The reading of the minutes of the preceding meeting was on motion dispensed with.

The minutes of the joint session between the Board and the Advisory Council held on February 17, were presented and, on motion, referred to Mr. Delano as a special committee.

The resignation of Mr. R. M. Gidney as examiner was accepted, effective April 16, and the action of the Federal Reserve Agent of New York in appointing Mr. Gidney his assistant at a salary of \$4000 per annum, was approved.

A letter from Senator Page stating his position with reference to the section of the Board's proposed amendments to the Federal Reserve Act relating to the carrying of balances by State banks with Federal reserve banks, was read, and noted.

A letter from Governor Aiken with reference to the status of bonds under the proposed new Government loan, was presented and, on motion, ordered circulated.

A letter from Governor Seay of Richmond suggesting a rate of 3; to 4% on agricultural paper, in order to stimulate the production of larger crops, was read and there was general expression that it would not be wise to assent to Governor Seay's proposal. It was agreed that the Governor write Mr. Seay informally accordingly.

A letter from Mr. T. E. Burton, president of the Merchants National Bank of New York, with reference to the methods of issuing Government bonds, was read and noted.

A brief filed by the Portland Clearing House Association on behalf of Portland as the location of a branch reserve bank, was presented and ordered passed to file.

A circular letter addressed to the Federal Reserve Banks with reference to the immediate policy of the Board as to the purchase and conversion of 2% bonds, was read and it was agreed that if open to no legal objection the letter should be transmitted.

It was ordered that a copy of the letter be referred

to the Committee on Bulletin for use in the next issue.

A letter from Honorable Carter Glass enclosing a letter from Federal Reserve Agent Perrin with reference to a proposed amendment to the Federal Reserve Act, whereby the carrying of a stock of notes at branches would be authorized, not to exceed \$5,000,000 at each branch, was read, considered and ordered laid on the table until the next meeting.

A telegram from Federal Reserve Agent Perrin announcing the action of his board of directors in naming Seattle as the location of the reserve bank branch in the Pacific Northwest, was read and discussed and it was agreed to lay the matter on the table until the next meeting, Mr. Miller meantime to secure such additional information as possible.

The Board then temporarily suspended its session and met as the Committee on Member and State Banks. The application of the American National Bank of McAllister, Oklahoma, for trustee powers having been presented, it was recommended that no action be taken pending the result of the next examination of the bank.

The session of the Board having been resumed, the report of the Committee on Member and State Banks relative to the application of the American National Bank of McAlester, Oklahoma, was received and, on motion, approved, and the Secretary directed to notify Federal Reserve Agent Sawyer of Kansas City accordingly.

On motion at 11.17 a.m. the Board adjourned to meet on Thursday, April 19, at 11 a.m.

H. L. K. L. L.
Secretary.

APPROVED:

A. L. L.
Chairman.