

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Monday, April 23, at eleven a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on Friday, April 20, were read and, on motion, approved.

The minutes of the joint sessions of the Board and the Governors of Federal reserve banks held on April 4-5-6, and previously referred to Mr. Delano, and the minutes of the joint session of the Board and the Advisory Council held on April 16, and previously referred to Mr. Delano, were reported by Mr. Delano, and, on motion, ordered sent to file.

Governor Harding reported the receipt of a letter from Federal Reserve Agent Rich relating to labor difficulties in the Minneapolis District. It was agreed that the correspondence should be formally transmitted to the Secretary of Agriculture, and the Secretary of the Board was directed to draft for the Governor's signature the

usual form of letter.

A letter from Federal Reserve Agent Jay describing a conversation between a representative of the Federal Reserve Bank and a representative of the Banco di Napoli, was read and, on motion, referred to the Committee on Operation of the New York Bank.

A letter from Honorable Charles Warren, Assistant Attorney General, enclosing a letter from Mr. Otto Shupp, Vice President of the Saginaw Bank, and a copy of Mr. Warren's reply to the same, with reference to withdrawals of deposited funds by German citizens, was read and after discussion, referred to the Governor of the Board as a committee of one to confer with Mr. Warren and consider the best method of procedure in the matter.

A letter from Governor Seay of Richmond, informing the Board that the Federal Reserve Bank of Richmond had altered the rate for commercial paper running 15 days, to $3\frac{1}{2}\%$, the same to be uniform with the rate for member bank collateral notes, was read and the rate approved.

A letter from the Bank Commissioner of Missouri (Mr. C. F. Enright) with reference to the charge for examination of State member banks in that State, was read

and, on motion, referred to Chief of Division Broderick.

A letter from Secretary Tregoe of the National Credit Men's Association, offering the services of the Association in the floating of the forthcoming issue of Government bonds was on motion referred to Assistant Secretary of the Treasury Crosby, Mr. Tregoe to be so advised.

A letter from Federal Reserve Agent Perrin enclosing copy of an opinion of his counsel with reference to the purchase of notes and warrants of the city of Seattle was, on motion, referred to the Committee on the operation of the Federal Reserve Bank of San Francisco.

Mr. Miller read a personal telegram received from Mr. I. W. Hellman, Jr., of San Francisco, recommending that the proceeds of the proposed Government loan be left on deposit in subscribing banks. It was informally agreed that the telegram be called to the attention of the Secretary of the Treasury.

A report of the Committee on Audit and Examination recommending that the Board approve the appointment of Wilfred L. Chase as National Bank Examiner in the New York

District, at a salary of \$2400 per annum, effective this date, or at such date as Mr. Chase reports for duty, was read and on motion adopted.

A letter from Federal Reserve Agent Ramsey enclosing a letter from Cashier Talley, of the Federal Reserve Bank of Dallas, with reference to various matters relating to the storing and transmission of currency, was read, and on motion, referred to the Committee on Treasury Relations.

A letter from Governor McDougal, of Chicago, with reference to the conditions under which the proposed Government war loan is being subscribed by Chicago banks, was read and noted.

A letter from Vice President Rue, of the Advisory Council, growing out of its recent meeting, and the Governor's reply to the same, was read, and on motion referred to the Committee on Law.

A letter from Governor Seay with reference to the bond purchasing policy to be followed by Federal reserve banks, was read and on motion laid on the table until a complete file of letters on the subject had been received from all Federal reserve banks.

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A report of the Committee on Clearings with reference to transfer drafts was presented, discussed, and on motion referred to the Executive Committee, with power to act.

Mr. Miller reported an amendment to the Federal Reserve Act designed to meet the case suggested by Federal Reserve Agent Perrin and intended to authorize the keeping of a stock of Federal reserve notes in trust at branches of Federal reserve banks. The Secretary of the Board also read Governor Harding's letter transmitting the same to Chairman Glass. On motion the amendment was approved and the Governor's letter made the action of the Board.

Letters from the Milwaukee Clearing House Association opposing the adoption of a bank guarantee plan, from Mr. J. H. Puelicher, with reference to the membership of his bank in the Federal Reserve System, from Federal Reserve Agent Perrin with reference to withdrawals of funds by Germans, and from Federal Reserve Agent Curtis with reference to the placing of the forthcoming bond issues, were called to the attention of the Board and contents noted.

A report of the Committee on the Operation of the Federal Reserve Bank of San Francisco, recommending the acceptance of the resignation of Mr. E. C. Bradley as Class C Director at the Federal Reserve Bank of San Francisco and the appointment of Mr. Edward G. Elliott as successor to Mr. Bradley, was presented and, on motion, approved, and the Secretary directed to notify Mr. Elliott of his selection.

The question of the preparation of a telegraphic code and a file of letters relating thereto was presented to the Board, and on motion referred to the Governor of the Board.

The Secretary of the Board presented a letter from Federal Reserve Agent Jay stating the situation with respect to placing Government bonds in the New York Reserve District.

The question of formal entertainment for the Governor of the Bank of England, now present in Washington, was considered and the matter placed in the hands of the Executive Committee for arrangement.

The Governor announced that a meeting of the Executive Committee to consider pending matters would be held at 4 p.m., this date.

At 12.20 p.m. the Board adjourned, to meet Wednesday morning, April 25th, at 11 a.m.

APPROVED:

[Handwritten Signature]
Chairman.

[Handwritten Signature]
Secretary.