

At a regular meeting of the Federal Reserve Board held in the office of the Board on Friday, May 11, at 11 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 Thursday, May 10, at 11 a.m., were read and, on motion, approved.

A letter from Federal Reserve Agent Perrin assenting to the postponement of the forthcoming conference of Federal reserve agents, was read and, on motion, it was agreed that the Governor of the Board write all Federal reserve agents deferring the conference until further notice.

Telegrams from Governors Wold and Miller urging the exemption of Federal reserve bank employees from military service, were read and noted, and referred to Governor Harding for such reply as he might think necessary.

The Governor of the Board read a memorandum setting forth the allotment of new certificates of indebted-

ness among Federal reserve points, as established by the Treasury Department.

Mr. Hamlin stated that in conversation with him, Mr. Jacob H. Schiff of New York, on the 10th instant had asked him to urge upon the Board the necessity of having Federal reserve banks grant rediscounts in advance of withdrawals of money resulting from the purchase of bonds.

Governor Harding read a letter from the Federal Reserve Bank of Dallas with reference to the attitude of the State Banking Department of Texas with regard to affiliation of the State institutions in Texas.

Correspondence with Federal Reserve Agent Rich with reference to the cancellation of notes at Federal Reserve Banks, presented by the Secretary of the Board, was referred to Mr. Delano for investigation.

The plan of sealing packages of gold certificates in order to avoid recounting at the periodical audit, previously presented to the Board, was again taken up, and Mr. Hamlin reported the receipt of letters from Federal Reserve Agents practically all assenting to the proposed plan. In view, however, of some expressions of doubt in various quarters, it was

agreed that the Secretary of the Board prepare a form letter outlining in detail the nature of the plan to be pursued, and requesting that each agent give his unconditional approval to the same. Action on the proposed plan was suspended until replies had been received.

Governor Harding read a memorandum received from Governor Strong covering a variety of topics, including the question of counting Federal reserve notes as member bank reserve; the problem of relieving savings banks through accommodation based on securities; the question of interest rates on deposits in State and member banks; the question of present methods of publicity regarding bond issues; the question of loans on Government bonds by Federal Reserve Banks; and the question of finding some method of coordinating reserve districts.

On motion, the Secretary of the Board was authorized to accept an invitation to address the American Institute of Banking at Toledo, Ohio, at some time during June, visiting the Pennsylvania Bankers' Association en route, at the expense of the Board.

The Secretary of the Board presented the question of furnishing to the Official Bulletin copy of the circular re-

lating to banking transactions with alien enemies. On motion it was voted to advise the editor of the Official Bulletin that the matter should be taken up with the Department of State.

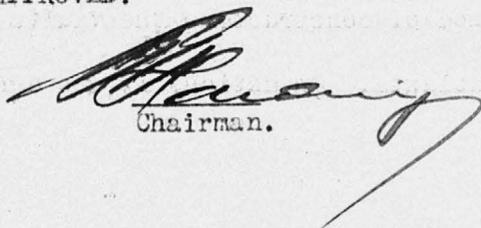
Mr. Hamlin having stated that a letter would probably be received from Mr. Rowe of Cincinnati with reference to the payment of coin by banks in Ohio, it was, on motion, voted to refer this letter upon arrival to Governor Harding to prepare a suitable form of letter on the subject to Federal reserve banks.

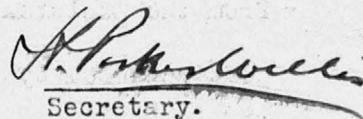
On motion it was voted that Assistant Secretary Allen be authorized to accompany Mr. Hamlin and Lord Cunliffe on a visit to Boston during the coming week.

The Secretary of the Board submitted a form of subscription list for employees, requesting contributions to the G. A. R. Memorial Exercises, handed him by Chief Clerk Wilmeth. No action was taken.

On motion, at 12.20 p.m. the Board adjourned to meet on Monday, May 14, at eleven a.m.

APPROVED:

  
Chairman.

  
Secretary.