At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor on Tuesday, June 5, at eleven a.m.,

PRESENT:

Mr. Harding, Mr. Delano,
Mr. Miller, Mr. Willis, Secretary.

Governor Harding read to the Committee a memorandum left in his hands by Mr. Warburg with reference to the eligibility of paper made by non-member banks and used for the purpose of securing discounts at Federal reserve banks, when protected by Government obligations. He also read a telegram which Mr. Warburg had transmitted to Governor Seay on June 4, answering questions with reference to this matter. The correspondence was noted and ordered filed.

Mr. Harding further read a memorandum prepared by Mr. Warburg presenting a proposed amendment to the National Bank Act designed to modify the present provisions limiting the amount of loans in proportion to capital, in so far as relates to loans based on Government obligations. No action was taken.

Mr. Harding further read for the information of the Committee a letter he had received from Mr. B. S. Wing of
La Crosse, Wisconsin, with reference to exchange charges
and statements said to have been made by Mr. Harding with
reference thereto.

Mr. Harding presented to the Committee the appli-
cations of the German Savings Institution of St. Louis,
Mo., and the Jefferson Commercial Savings Bank of Gretna,
Louisiana, for admission to the Federal reserve system,
together with the favorable recommendation of the Federal
Reserve Banks of St. Louis and Atlanta, respectively, and
also of the Chief Examiner of the Board. Both applications
were discussed in detail, but action was deferred until a
full meeting of the Board could be obtained.

Mr. Miller presented to the Committee a circular
recently sent out by the Federal Reserve Bank of San Fran-
cisco with reference to the question of relations between
small member banks and reserve city banks, and approving
of these in preference to rediscount relations between the
small banks and the Federal reserve bank. The matter was
discussed and ultimately referred to Mr. Miller to be dis-
posed of according to his best judgment pending a full
meeting of the Board when further discussion could be given
to the subject.
Mr. Harding read a letter transmitted to him by Mr. A. J. Frame of Waukesha, Wisconsin, with reference to the amendments to the Federal Reserve Act, now pending in Congress.

General discussion of the pending amendments ensued.

On motion, at 12.30 p.m. the Committee adjourned.

APPROVED:

[Signature]

Secretary.

[Signature]