At a regular meeting of the Federal Reserve Board held in the office of the Governor on Thursday, June 26, 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 June 27 were read and, on motion, approved.

The Secretary of the Board presented the discount rate sheets for the week for the various Federal reserve banks, no changes being requested. The sheets were noted and ordered filed.

A report of the Committee on Audit and Examination, dated June 27, and approving a salary of $2,400 per annum for Mr. Ryburn G. Clay, effective when Mr. Clay reports for duty, was, on motion, approved.

A report of the Committee on Audit and Examination dated June 28, recommending the approval of certain increases in examiners' salaries, recommended by the Comptroller of the Currency, was, on motion, approved,
as follows:

<table>
<thead>
<tr>
<th>District</th>
<th>From</th>
<th>To</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 1 - T. J. Goodwyn</td>
<td>$2400</td>
<td>$2700</td>
<td>$300</td>
</tr>
<tr>
<td>2 - Bertram Chesterman</td>
<td>2400</td>
<td>2700</td>
<td>300</td>
</tr>
<tr>
<td>3 - (No changes recommended)</td>
<td></td>
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<tr>
<td>4 - (No changes recommended)</td>
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<tr>
<td>5 - Richard L. Hargreaves</td>
<td>2700</td>
<td>3000</td>
<td>300</td>
</tr>
<tr>
<td>6 - J. William Pole</td>
<td>2700</td>
<td>3000</td>
<td>300</td>
</tr>
<tr>
<td>6 - Morton M. Prentis</td>
<td>2400</td>
<td>2700</td>
<td>300</td>
</tr>
<tr>
<td>7 - (No changes recommended)</td>
<td></td>
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<tr>
<td>8 - (No changes recommended)</td>
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<tr>
<td>9 - Ben Hayes, Jr.</td>
<td>2400</td>
<td>2700</td>
<td>300</td>
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<tr>
<td>10 - W. E. Fair</td>
<td>2400</td>
<td>2700</td>
<td>300</td>
</tr>
<tr>
<td>12 - H. R. Gaither</td>
<td>3000</td>
<td>3300</td>
<td>300</td>
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</tbody>
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On motion a report of the Committee on Staff recommending certain advances in salaries for members of the Board's staff, was approved as follows:

Nelson Stuart, Chief Clerk, office of Secretary, from $1600 to $2100 per annum;

H. W. Kitzmiller, Clerk in charge of Printing, from $1600 to $1950 per annum;

J. S. Kean, Stenographer, office of Secretary, from $1200 to $1320 per annum;

W. M. Inlay, Assistant to Chief, Div. of Audit and Examination, from $2500 to $2800 per annum;

L. C. Adelson, Asst. Examiner, Div. of Audit and Examination, from $3600 to $4000 per annum;

E. L. Smed, Assistant to Chief, Div. of Re. & Stat., from $1600 to $2100;

Ammon E. Smith, Clerk, from $1320 to $1500 per annum;

A. H. Laning, Clerk, from $1320 to $1500 per annum;

J. E. Bizzell, Clerk, from $1200 to $1320 per annum.
Mr. Delano presented a suggested draft of by-laws for branch banks, based on a draft of by-laws prepared by Mr. Miller and recommended for the Spokane Branch by Federal Reserve Agent Perrin. He suggested that this draft be sent out to Federal reserve banks as a tentative outline of by-laws suitable for the use of newly organized branches. Discussion ensued and, on motion, the Executive Committee was authorized to send out the draft with such suitable modifications as it might deem best.

Mr. Delano presented a letter addressed to Federal reserve banks with reference to the clearing system, the same being intended as a report of the Committee on Clearing in lieu of the report presented on June 26 and then withdrawn. On motion, it was voted that the Committee on Clearing be authorized to transmit the revised letter with such minor modifications as might be deemed best.

Mr. Delano presented a letter from Mr. Jerome T. Thralls of the American Bankers Association, requesting a conference with the Board on the subject of clearing. The letter was noted.

Mr. Warburg reported briefly the results of a conference he had held with representatives of the Guaranty Trust Company of New York respecting its prospective
membership in the Federal reserve system.

On recommendation of the Committee on Investments, it was, on motion, voted to authorize the Norfolk National Bank of Norfolk, Virginia, to accept up to 100% of its capital and surplus, $1,500,000.

Governor Harding presented to the Board communications as follows:

A letter with reference to the interpretation placed by Senator Owen on the meaning of the Hardwick Amendment. The letter was referred to the Committee on Clearing.

A letter from Governor Aiken with reference to the application of the new reserve requirements. The letter was ordered circulated.

A letter from Secretary Curtis of the Federal Reserve Bank of New York, asking the advice of the Board with reference to circulating member banks concerning matters growing out of the new amendments.

A letter from Mr. C. W. Hinsch of Cincinnati conveying resolutions adopted by the convention of Rotary Clubs, recommending banks to take membership in the Federal reserve system.

A letter from Federal Reserve Agent Perrin with refer-
ence to the territory to be assigned to the Spokane branch.

A letter from the Minnesota Bankers' Association transmitting resolutions approving the work of the Federal reserve system.

A letter from Federal Reserve Agent Wills with reference to the conditions under which the Guardian Trust & Savings Company of Cleveland may enter the System. This letter was referred to the Governor for a suitable answer.

By unanimous consent it was agreed that during the coming week stated meetings would be held on Monday and Tuesday, Wednesday being a legal holiday.

On motion, at 12.30 p.m. the Board adjourned, to meet on Monday, July 2, at eleven a.m.

APPROVED:

Chairman.

Secretary.