At a regular meeting of the Federal Reserve Board held in the office of the Governor on Thursday, July 19, at 11 a.m.,

PRESENT:
Mr. Harding, presiding,  Mr. Miller,
Mr. Delano,  Mr. Willis, Secretary.
Mr. Warburg,

The minutes of the meeting of the Board held on July 18 were read and, on motion, approved.

Governor Harding reported that the Comptroller of the Currency would transfer to the Board the rooms now occupied by the Chief of the Division of Insolvent Banks, who would be given quarters outside of the Treasury Building.

Governor Harding further reported a conversation with Assistant Secretary of the Treasury Crosby. He had told Mr. Crosby that the Board desired to aid as far as it could in public finance operations, but a situation of some difficulty had originated because the Treasury deals direct with Federal reserve banks as fiscal agents. He believed it would be better if the Department would route its instructions to Federal reserve banks through the Board. He reported that Mr. Crosby had stated that he would recommend
this plan to the Secretary of the Treasury. The opinion of the Board informally expressed, was unanimously in favor of the proposal, and upon motion of Mr. Williams, it was voted to carry out the plan suggested, in cooperation with Mr. Crosby.

Governor Harding brought to the attention of the Board a letter of the Comptroller of the Currency with reference to the form for reporting cash on the new bank statements. The proposed method of reporting was informally discussed.

The Secretary of the Board read a letter from Mr. W. W. Hoxton of the Federal Reserve Bank of St. Louis, inquiring as to the establishment of a department of Federal Reserve Banks for the purpose of collecting notes and drafts. The matter was referred to the Clearing Committee with power to act.

The question of joint liability between Federal reserve banks and agents, together with a file of letters from reserve banks, and a memorandum from Chief Examiner Broderick, was presented to the Board and, on motion, it was agreed to refer the papers to Mr. Delano to work out uniform instructions to the reserve banks.
The Secretary of the Board presented the resignation of Mrs. B. C. Woodford, which was, on motion, accepted, effective at the close of business August 5.

The Secretary of the Board presented discount rate sheets from various Federal reserve banks for the current week, no changes being requested.

The question of the method to be followed in computing reserve being taken up, the matter was referred to the Executive Committee, and at the same time there was referred to the Committee a letter from Mr. R. B. Mellon of Pittsburgh, regarding the status of banks located in Federal reserve cities with relation to reserve requirements.

The Secretary of the Board presented on behalf of Mr. Miller a report with reference to the organization of Liberty Loan work in the Minneapolis District. The matter was referred to the Governor with power to act.

Governor Harding presented a draft of a letter sent out to all Federal reserve banks conveying the substance of Counsel's recent opinion as to the holding of balances to anticipate collection of items. On motion, the letter was approved.

An application filed by G. M. Dahl, Vice President
of the Chase National Bank for himself and as attorney
or agent for other officers and directors of member banks,
whose names appeared in said application, for permission
of the Board to serve as officers or directors of The Am-
erican Foreign Banking Corporation, was submitted to and
considered by the Board.

On motion, duly made and seconded, the Board ap-
proved said application for permission for the following
officers and directors of member banks to serve as offi-
cers or directors of The American Foreign Banking Cor-
poration:

Eugene V. R. Thayer, President and Director,
Merchants National Bank, Boston;
John Sherwin, President and Director,
First National Bank, Cleveland;
Levi L. Rue, President and Director,
Philadelphia National Bank, Philadelphia;
John G. Lonsdale, President and Director,
National Bank of Commerce, St. Louis;
Ernest A. Hamill, President and Director,
The Corn Exchange National Bank, Chicago;
C. T. Jaffray, President and Director,
First & Security National Bank, Minneapolis;
C. A. Hinsch, President and Director,
Fifth-Third National Bank, Cincinnati;
Fred Vogel, Jr., President and Director,
First National Bank, Milwaukee;
A. H. Wiggin, President and Director,
Gerhard M. Dahl, Vice President,
The Chase National Bank, New York;
H. B. Wilcox, Vice President and Director,
Merchants-Mechanics First National Bank,
Baltimore;
C. L. Farrell, President and Director,
Essex County National Bank, Newark, N.J.

On motion, at 11:50 a.m. the Board adjourned to
meet on Tuesday, July 24, at eleven a.m.

APPROVED:

Chairman.

Secretary.