

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Thursday, July 26, at 11 a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on July 25 were read and, on motion, approved.

The Committee in charge of the nomination of the directors of the Federal reserve branch bank to be established at Louisville reported asking for further opportunity for consideration, and, on motion, the question of the Louisville directors was laid on the table.

Governor Harding read a communication from Assistant Secretary of the Treasury Crosby transmitting a telegram from Deputy Governor Calkins of San Francisco with reference to the details of the method of making payments for Liberty Loan subscriptions. The matter was referred to the Executive Committee.

A letter from Mr. J. F. Burke of Pittsburgh, informing the Board that the application of the Pittsburgh

banks for the establishment of a branch at Pittsburgh had been placed in the hands of the Federal Reserve Bank of Cleveland, was read and noted, the papers being referred back to Governor Harding.

A telegram from the Clearing House Association of Tulsa, Oklahoma, stating that they had filed application for a branch with the Federal Reserve Bank of Kansas City was read, also letters from Federal Reserve Agent Sawyer with reference to the same subject. On motion it was voted that Governor Harding advise the Kansas City Federal Reserve Bank that it would be best not to conclude any definite action on the branch question for the present, but that if at a later date the matter seemed to require it, the Board would be disposed to send a Committee to Kansas City to investigate the branch question in that district.

The Secretary of the Board read a letter from the Peoples' State Bank of Detroit, Mich., calling attention to certain difficulties relating to the question of interlocking directors and inquiring how the Board would rule on these questions should the Peoples' Bank become a member of the System. The matter was referred to the Committee on the Clayton Act, with instructions to draft a reply for the sig-

nature of the Governor, he to have power to send the same.

A letter from the First National Bank of Goodland, Kansas, protesting against the establishment of a branch bank at Denver, was read and the Secretary directed to send a suitable reply.

A letter from Federal Reserve Agent Austin with reference to the authority of the Assistant Federal Reserve Agent to sign all documents, reports, etc., in lieu of the Federal Reserve Agent in the absence of the latter, was read, and, on motion, referred to the Executive Committee, with the advice of Counsel.

The Secretary of the Board presented discount rate sheets for the week ending July 26, no changes being requested; also letter from the Federal Reserve Bank of Atlanta explaining certain transactions made subject to an open market rate which had not been published. The matter was referred to Governor Harding with power to act.

A telegram from the Union National Bank of Houston, Texas, with reference to the interpretation of Section 22 of the Federal Reserve Act as amended, was, on motion, referred to the Law Committee.

On motion, the application of the Girard National

Bank, of Philadelphia, for the privilege of accepting drafts against existing values in the foreign trade to the amount of their capital and surplus was, upon the report of the Committee on Investments, approved.

Governor Harding reported to the Board the result of correspondence with the St. Joseph's Valley (National) Bank, of Elkhart, Indiana, with reference to changes in their mode of advertising. The correspondence was noted and ordered filed.

Governor Harding read a telegram from Governor McDougal, of Chicago, stating the importance of obtaining competent assistance in counting money, and asking for a corps of expert money counters from the Treasury Department. The matter was referred to the Executive Committee with power to act.

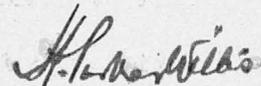
On motion of Mr. Miller, it was voted that the Law Committee obtain an opinion of Counsel as to whether the Board can at its discretion close a branch reserve bank once established.

Governor Harding read a letter from Federal Reserve Agent Jay, giving a report on ruble exchange. The same was noted and ordered passed to file.

A letter from Mr. Marcus Walker, of New Orleans, with reference to gold shipments to Spain via Havana, was read and noted.

On motion, at 12.05 the Board adjourned, to meet on Tuesday, July 31, at 11 a.m.

APPROVED:


Secretary.

Chairman.