

At a special meeting of the Federal Reserve Board held in the office of the Vice Governor on Thursday, September 13, 1917, at 5 P. M.

Present:

Mr. Harding, presiding, Mr. Delano,  
Mr. Hamlin, Mr. Williams,  
Mr. Warburg, Mr. Willis, Secretary.

Governor Harding read to the Board a first draft of a report prepared for the Secretary of the Treasury by the informal committee of bankers and others which had been discussing the question of foreign exchange during the past two days. Some suggested modifications were presented and incorporated, and the first draft ordered returned to the Committee.

The minutes of the morning meeting of the Board held on September 13, were read and, on motion, approved.

An opinion of Counsel with reference to the quorum necessary at meetings of the Board was presented and, on motion, referred to the Committee on Law.

A letter from Governor Aiken of Boston, with reference to the development of short term paper, was presented, and, on motion, it was voted that the Governor transmit to all Federal Reserve banks a letter giving them the substance of the Aiken plan.

A letter from Governor Fancher of Cleveland, with reference to the payment of shipping charges on gold, was read and, on motion,

it was voted that the Governor write to Governor Fancher approving of the payment of such shipping charges by the Federal Reserve bank, and suggesting that the bank should also bear abrasion losses up to a reasonable amount.

A letter from Governor Sawyer, of Kansas City, with reference to the method of notifying member banks concerning the forthcoming election of directors, was referred to Counsel for an opinion, the Governor to have the power to notify Governor Sawyer accordingly.

A letter from Mr. Arthur M. Heard, president of the Amoskeag National Bank, of Manchester, N. H., relative to the savings bank situation in that State, was read. On motion, it was voted that the Governor write Mr. Heard acquainting him with the present Government bond discount policy of the Board.

On motion, it was voted that the Executive Committee have power to pass upon all pending gold export applications while awaiting the development of a definite policy, in conjunction with the Treasury.

The Secretary of the Board presented the minutes of the gold export conference held by the Board on Sept. 12, and duly approved by Mr. Delano to whom they had been referred. The minutes were ordered filed.

On motion, at 5:40 P. M., the Board adjourned to meet on Tuesday, September 18, at 10 A. M.