

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor at 2:30 P. M., on Friday, September 14, 1917.

Present:

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

Present also:

Mr. Albert Strauss, representing the Treasury Department.

Mr. Strauss, who had been in conference with an informal committee of bankers and others which had been working on the problem of foreign exchange and gold exports during September 12 and 13, made a general statement to the Executive Committee with reference to the conclusions arrived at by the informal committee.

The Committee then proceeded to the consideration of various applications for the exportation of gold and currency now pending and on some of which recommendations had been made by the informal committee above referred to. It appearing that a numerical designation had been applied to each of these applications by the committee in question, the Executive Committee resolved to follow these designations. Applications were then acted upon in their order, as follows:

1. A. Torrance, for Balfour, Williamson & Co., of New York, shipment of \$100,000 of gold bullion to Calcutta September 14, approved.

2. Bankers Trust Company, New York, \$500,000 gold bullion, New York to Calcutta, September 15, approved.

3. Nacozari Railroad Company, Douglas, Arizona, \$100,000 gold to Mexico, suspended pending further information.

4. First National Bank, Nogales, amount not stated, in order to enable depositors withdrawing funds to take money into Mexico. Suspended.

5. Casco Mercantile Trust Company, Portland, Maine, currency for railway use, in any form except gold. Approved.

6. Federal Reserve Bank of Minneapolis, on behalf of Twin City Banks shipping Canadian currency to Winnipeg, approved, with instructions that future shipments need not be submitted for approval of the Board, but that the Board be notified from time to time of amounts.

7. Duplicate of No. 1.

8. Duplicate of No. 2.

9. Bank of New York to Bank of Nova Scotia, at Toronto, \$500,000. Declined.

10 Bank of British North America, \$93,000 silver

bullion, San Francisco to Orient. Approved.

11. Bank of California, \$250,000 gold, San Francisco to Orient. Suspended.

12. Hongkong & Shanghai Banking Corporation, \$750,000 San Francisco to Calcutta. Suspended.

13. Commercial Trust & Savings Bank, \$750,000, \$100,000, and \$40,000 gold, New Orleans to Spain. Suspended.

14. Kerr Steamship Company, \$1,000,000 New York to Spain. Declined.

15. Farmers Loan & Trust Company, \$515,750 San Francisco to Calcutta. Declined.

16. Cerro de Pasco Mining Co., \$1,951,865 in gold disks, New York to Callao, Peru. Laid on the table.

17. W. R. Grace & Company, \$973,283 gold disks, New York to Lima, Peru, laid on the table.

18. United Metals Selling Company, 237 bars or 233,121 ounces silver bullion, New York to London. Approved.

19. Mitsui & Company, \$1,000,000 San Francisco to Bombay. Suspended.

19a Los Angeles Tanning Co., Nogales to Mexico, approved if approval of the Collector at Nogales is first obtained.

20. Guaranty Trust Company, \$100,000 gold, New York to Barcelona. Suspended pending further information.

- 21 James Scott & Sons, \$30,000 New York to Calcutta.
Suspended.
22. Guaranty Trust Company, \$1,000 New York to Turin
Italy by Registered Mail. Declined.
23. Commercial Trust & Savings Bank, \$750,000 gold
New Orleans to Spain. Declined.
24. Lawrence Turnure \$100,000 New York to Barcelona.
Suspended.
25. H. S. Berner, \$10,000 New York to Barcelona.
Suspended.
26. Santiago Brieones, \$200,000 gold, New York to
Cadiz. Suspended.
27. National Bank of Commerce, New York, \$100,000
gold on behalf of Northern Bag Company, of Minneapolis,
San Francisco to Calcutta. Approved.
- 28 Escalante & Company, \$10,000 gold, New York to
Yucatan, Mexico. Suspended.
- 29 H. Hikosaka, for Nosawa & Co., \$4,200,000 gold
bullion, Seattle to Kobe. Suspended.
- 30 W. R. Grace & Co., \$250,000 gold, New York to
Valparaiso, Approved.
- 31 Irving National Bank, \$1,000,000 gold, New York
to Ottawa. Suspended inasmuch as the proposed shipment
does not appear to represent a definite transaction in goods.

32. Lawrence Turnure, \$25,000 gold, New York to Barcelona. Declined, inasmuch as the transaction is intended to finance trade with Cuba.

33. Equitable Trust Company, \$200,000 gold, New Orleans to Barcelona. Suspended.

34. Equitable Trust Company, \$280,300 gold, New York to Barcelona. Suspended.

35. Equitable Trust Co., \$150,000 gold, New York to Cadiz. Suspended.

36. Equitable Trust Company, \$750,000 gold, New York to Cadiz. Suspended.

37. Equitable Trust Co., \$650,000 gold, New York to Barcelona. Suspended.

38. Equitable Trust Co., \$200,000 gold, New York to Barcelona. Suspended.

39. Equitable Trust Co., \$40,000 gold, New York to Cadiz. Suspended.

40. Equitable Trust Co., \$68,000 gold, New York to Barcelona. Suspended.

41. Equitable Trust Co., \$750,000 gold, New York to Cadiz. Suspended.

42. Equitable Trust Co., \$725,000 gold, New York to Cadiz. Suspended.

43. Equitable Trust Co., \$350,000 gold, New York to Barcelona. Suspended.

44 Equitable Trust Co., \$70,000 gold, New York to Barcelona. Suspended.

45 Equitable Trust Co., \$200,000 gold, New York to Barcelona. Suspended.

46 Equitable Trust Co., \$1,000,000 gold by each of six steamers, San Francisco to Orient. Suspended.

47 Potosi Mining Company, \$5,000 El Paso to Mexico. Approved if sent in Federal Reserve notes.

48 In answer to a general application from El Paso banking interests, it was agreed that applications for export of Federal Reserve notes should be made, for which special forms will later be provided, but permits may be granted without submission to the Federal Reserve Board until further notice. Report of applications so granted should be made to the Federal Reserve Board by the Federal Reserve Bank.

Suggestion of the Union Trust Co., of El Paso, to give bond for the return of gold furnished to customers for export will probably receive favorable consideration, but bank should state amount for which permission is requested.

49 Pan American Commission Corporation, up to \$40,000 monthly, New Orleans to Yucatan. Approved if sent in Federal Reserve notes.

50 A. Vales, \$7,500 New York to Yucatan. Laid on the table; declined unless in Federal Reserve notes.

51 Isaacks & Lessing, El Paso, Texas, \$1,000,000 American gold and \$1,000,000 Mexican gold, El Paso to Mexico. Referred back to State Department and not approved unless request is made by the Department.

52 Cleveland-Akron Bag Company, 20,000 pounds sterling monthly, September, October, November, to Calcutta via Ottawa. Approved for September only.

53 B. Montas & Co., \$20,000 gold New Orleans to Mexico. Referred to New Orleans Branch for formal application and information.

54 Bank of California, San Francisco, \$104,000 Mexican gold, \$50,000 United States gold, \$25,000 United States silver, San Francisco to Mexico. Laid on the table because of obscurity of telegram. Secretary directed to get more information.

55. Canadian Bank of Commerce, 360,000 ounces bar silver and 614 ounces of bar silver, San Francisco to Bombay and Calcutta, respectively. Approved. (See amended application of September 21.)

56 A telegram from Deputy Governor Calkins of San Francisco, inquiring whether Mexican mining companies could ship Mexican money through the United States and back into Mexico, or have it reshipped from the United States, was ordered answered in the affirmative, provided proper safe-

guards were applied.

57 The Texas Company, \$25,000 gold, Port Arthur to Tampico. Approved, but future shipments must be in Federal Reserve notes. (See No. 86. No notice sent for 57. H.P.W. September 21.)

58 St. Clair County Savings Bank, Port Huron, Mich., \$25,000 Port Huron to Canada in Canadian currency. Approved.

59 Anderson, Clayton & Co., \$125,000 gold, Galveston to Barcelona. Declined.

On motion the form of application for permission to export gold in use heretofore by Reserve Banks was adopted, subject to minor modifications, making the form in question read as follows:

APPLICATION FOR PERMISSION TO EXPORT COIN
BULLION OR CURRENCY FROM THE UNITED STATES.

(To be executed in triplicate and forwarded through the F. R. Bank of _____ to the Federal Reserve Board).

Sirs:

The undersigned hereby makes application for permission to export from the United States coin, bullion or currency as hereinafter set forth:

1. Description of shipment
(i.e. gold coin, silver bullion, etc.) _____
2. Value _____

3. Date and place of shipment _____
4. Destination _____
5. Proposed route (including name of vessel, if possible) _____
6. Consignor _____
7. Consignee _____
8. Name and address of person, firm, corporation or government for whose account shipment has been ordered _____
9. Name and address of person, firm, corporation or government to whose account shipment will be charged _____
10. Names and addresses of all other persons interested in the transaction, directly or indirectly _____
11. Specific transaction which resulted in order for shipment _____
(Note. If shipment is in payment of balance due consignee or on exchange operations, give full details of commercial transactions of which such balance or exchange operations are the result.)
12. If shipment is made for applicant's own account, state whether the purpose is to furnish customers with exchange. If so, give names and addresses of such customers _____
13. Additional information indicating that the exportation will be compatible with the public interest _____

I, _____, on oath depose and say that I know the facts hereinabove set forth to be true, and that I have no knowledge of any material facts in connection with the proposed shipment above described which have

not been set forth in this application.

(Signature of applicant)

(Address)

Subscribed and sworn to before me this)
_____) day of _____, 1917.)

Notary public.

RECOMMENDATION OF FEDERAL RESERVE BANK OF _____.

The above application is forwarded to the Federal Reserve Board with a recommendation that the license for granted be refused for the following reasons: _____

Respectfully,

Secretary or Cashier

To the
Federal Reserve Board,
Washington.

On motion, at 7:15 P. M., the Committee adjourned.

APPROVED:

Chairman.

J. P. McMillan
Secretary.