

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Monday, October 15, at 3 p.m.,

PRESENT:

Mr. Harding, presiding,	Mr. Williams,
Mr. Warburg,	Mr. Miller, Acting
Mr. Delano,	Mr. Imlay, Assistant Secretary.

The minutes of the meeting of the Board held on October 12 were read and, on motion, approved.

A letter from Federal Reserve Agent Perrin suggesting that the Bank of Stanwood, Stanwood, Washington, be permitted to clear through the Federal Reserve Bank of San Francisco upon the deposit of an amount equal to 5% of its demand deposits, was read and, on motion, referred to the Governor for reply.

A letter from Federal Reserve Agent Perrin inquiring as to whether or not it would be proper for a clearing member bank to advertise by window signs or otherwise the fact that it is a clearing member, together with an opinion thereon by Counsel, was read, and, on motion, referred to the Governor for reply.

A letter from Mr. J. H. Puelicher relative to printing and sending out the speeches of Governor Harding and others at the convention of the American Bankers Association at Atlantic City, was read and, on motion, referred to the Governor for reply.

Upon recommendation of the Committee on Investments, it was, on motion, voted to authorize the Liberty National Bank of New York City, to accept up to 100% of its capital and surplus.

The minutes of the meeting of the Committee on Clayton Act and the Kern Amendment thereto, held on October 12, were read and, on motion, approved, Mr. Williams desiring to be recorded as not voting.

A report by the Committee on Staff, dated October 12, 1917, recommending approval of certain recommendations by the Acting Comptroller of the Currency under date of October 11, relative to salaries of certain national bank examiners, was read, and on motion approved.

The Committee on Staff presented a report and recommendation, dated October 15, regarding a readjustment of the salaries of the staff of the Board, to take effect on October 16th. Mr. Warburg moved an amendment that the \$1320 class

be raised to \$1440 in place of \$1400 as recommended by the Committee, which was carried. Mr. Miller moved to amend by reducing the amount proposed to be paid to private secretaries to Board members from \$2700 to the amount they are now receiving. The amendment was lost. The report of the Committee as amended was thereupon, on motion, adopted.

The Governor thereupon read a letter from Mr. Stoddard Jess, President of the First National Bank of Los Angeles, Calif., and Vice President of the Clearing House Section of the American Bankers Association relative to the examination of banks by examiners employed by Clearing House Associations, and the same was referred to the Committee on Audit and Examination.

A letter from Federal Reserve Agent Wills relative to certain institutions which would probably make application for membership was read and noted.

A letter from Federal Reserve Agent Wellborn relative to steps taken to strengthen their junior officer force was read, and upon motion the appointment of S.A. Hogan as Assistant Auditor at \$2100 and Jas. Garrett as Manager of transit department at \$2,000, were approved.

A letter from Federal Reserve Agent Wellborn

stating that the Board of Directors of the Atlanta bank had voted to recommend the employment of an Assistant Manager for the Branch at New Orleans, at a salary of not to exceed \$2500 per annum, was read and on motion the plan was approved.

A letter from Federal Reserve Agent Wellborn regarding a request from the Manager of the New Orleans branch that Federal Reserve notes turned in to him for credit should be placed to his credit with the Assistant Treasurer at New Orleans instead of shipping to Atlanta, was read and on motion referred to the Committee on Issue and Redemption.

A letter from Federal Reserve Agent Wellborn regarding certain changes in the Board of Directors of the Atlanta Bank, and the election of a Secretary to the Board, was read and noted.

A letter from Federal Reserve Agent Wellborn stating that at a regular meeting of their Board of Directors it was voted to submit at their next regular meeting of the Board an amendment to the by-laws changing the title of Governor to President, and the Deputy Governor to Vice President, was read and noted.

A letter from Federal Reserve Agent Wellborn stating

that the Board of Directors of the Atlanta Bank, had voted to adopt the plan of procedure suggested by Mr. Broderick on the subject of appointment of overhead expenses between the Federal Reserve Bank of Atlanta and the New Orleans Branch was read and noted.

A letter from Mr. Kent of the Federal Reserve Bank of New York, relative to the application of the Guaranty Trust Company to earmark \$2,000,000 for the Javasche Bank was read and referred to the Executive Committee on Gold Exports.

The Governor read a draft of a letter proposed to be sent to all Federal Reserve Agents, enclosing a statement by the President of the United States relative to state institutions joining the Federal Reserve System, and upon motion the Governor was authorized to send the same.

Mr. Miller invited the Board's attention to a statement appearing in the New York Times of Monday, October 15th, based upon statements issued by Governor Strong. After discussion the Governor was requested to send a letter to all Federal Reserve Banks cautioning them not to give out any statement for the press affecting the gen-

eral policies of the Federal Reserve system, without first submitting it for the approval of the Federal Reserve Board.

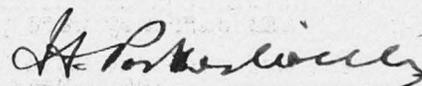
Mr. Williams asked to be excused at 4.40 p.m. and retired.

Mr. Warburg read a draft of a proposed letter to Governor Rhoads relative to the question of substantial competition within the meaning of the Clayton Act, and upon motion it was ordered that the letter be sent out officially.

Upon motion, at 4.50 p.m. the Board adjourned.

APPROVED:

Chairman.


Secretary.