

At a regular meeting of the Federal Reserve Board held in the office of the Board on Monday, December 24, at 11 a.m.,

PRESENT:

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

The minutes of the meetings of the Board held on December 18 and December 21, were read, and, on motion, approved.

The minutes of the meetings of the Executive Committee (sitting as a gold export committee) December 22 and 24, were presented and on motion, approved, and the action therein set forth ratified.

Correspondence relating to Clearing house examinations in Seattle was presented and the substance thereof stated by Mr. Miller. Noted.

A letter from Assistant Treasurer Fort re the purchase of circulation bonds from applying banks, read, and ordered that the usual resolution declining the purchase be entered, the Governor to notify Mr. Fort accordingly. The resolution was thereupon entered as follows:

RESOLVED, That it is the sense of the Federal Reserve Board that it is not desirable or necessary under existing circumstances to require Federal reserve banks at the end of the quarterly period ending December 31, 1917, to purchase any of those bonds which are offered for sale by member banks through the Treasurer of the United States under the provisions of that section, and that therefore it will not require any such purchases at that time.

BE IT FURTHER RESOLVED, That the Secretary of the Board be instructed to send a copy of this resolution to the various Federal reserve banks and to the member banks which have offered bonds for sale in order that they may be notified of the action of the Board in the premises.

A memorandum by Mr. Delano on par collections in the northwest was read and referred back to Committee No. 1

A memorandum by Mr. Delano re acceptance of deposits from private bankers was read and on motion, referred to the Executive Committee (dealing with new legislation.)

A letter from the Comptroller of the Currency relative to compensation of Harrison Nesbit in connection with the Four States Coal & Coke Company, was read and referred to Committee No. 3.

A letter from Federal Reserve Agent Wellborn re an Assistant Manager at New Orleans was read, and on motion, a salary of \$3600 for a suitable man approved with instructions to the Atlanta Committee to suggest an appropriate title.

A letter from Federal Reserve Agent Wellborn request-

ing permission to pay an honorarium at Christmas of \$10 to each employee was read and referred to Committee No. 1 with power to act.

Mr. Harding presented the question of the appointment of Mr. W. D. Wellborn at Atlanta, which was discussed, and the Board voted to ask for another nomination in place of that of Mr. Wellborn.

A letter from the Federal Reserve Agent at New York with reference to the endorsement of paper for collection was presented and on motion, referred to Committee No. 3.

A memorandum of the Assistant Secretary of the Board re access to leave of absence records for employees was presented by the Committee on Staff and referred to the Governor for action.

Notice was received from the Comptroller that the Issue Division would be closed December 24, and would be open all day December 31. The Board directed that its staff receive the same leave on December 24 and 31 as the staff of the Treasury.

A report of Committee No. 1 approving the appointment of an assistant to Chairman Hardy at the Baltimore Branch was read, and on motion, approved.

Reports of Committee No. 2 regarding acceptance

powers were presented and accordingly, approval was given to the applications of the following banks:

Continental and Commercial National Bank, Chicago; acceptance to 100% of capital and surplus.

Mercantile Bank of the Americas: Power to accept drafts drawn in Peru to create dollar exchange.

A report of Committee No. 2 recommending the admission of certain applicants for membership in the Federal Reserve System, on conditions named in each case, was read and on motion, the institutions ordered admitted as follows:

Wilmington Trust Company,	Wilmington, Dela.
Oakland Savings & Trust Company	Pittsburgh, Pa.
Fidelity Trust Company	Tacoma, Wash.
Lumberman's Bank,	Hoquiam, Wash.
Kirchman State Bank	Cicero, Ill.
Martinsville State Bank	Martinsville, Ill.

A report of Committee No. 3 passing upon applications for fiduciary powers was presented and applications approved as follows:

For Trustee, Executor, Administrator and Registrar.

Merchants National Bank	Leominster, Mass.
Farmers National Bank	Oklahoma City, Okla.
Royall National Bank (trustee, Executor and Administrator only)	Palestine, Texas.
First National Bank	Flint, Mich.
First National Bank	Hyattsville, Md.

For Trustee and Registrar.

Painesville National Bank	Painesville, Ohio.
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Applications were ordered held as follows:

First National Bank	Kalamazoo, Mich.
San Miguel National Bank	Las Vegas, Mich.
First National Bank	Sioux City, Ia.
First National Bank	Vermillion, S. D.

A report of Committee No. 3 to the effect that an Assistant Federal Reserve Agent at a branch is authorized to perform the duties of Federal Reserve Agent, was read and ordered sent to Federal Reserve Agent Perrin.

A report of Committee No. 3 favorably recommending the applications of Messrs. Emory W. Clark and Henry W. Comfort under the Clayton Act and Kern Amendment were presented and on motion approved.

A report of Committee No. 1 recommending a salary of \$2400 per annum for Examiner R. M. Johnson effective upon his assuming duty was read and on motion, approved.

A report of Committee No. 1 relative to fees of directors at Richmond was read and on motion, approved.

Miscellaneous business was presented and acted upon as follows:

Letters from Governor McDougal re conditions at the Detroit branch, also regarding salaries at Chicago for the coming year, read and referred to the Committee on the Chicago Bank.

A progress report as to the status of certain directors under the Clayton Act, presented by Mr. Hamlin and referred back to him.

The question of making the matter of reports of member banks a special order for Wednesday or Thursday referred to the Governor or Vice Governor.

Letters of Federal Reserve Agent Heath re American Tobacco Acceptances; read and a reply proposed by the Governor, approved.

A letter written by Mr. Warburg to Federal Reserve Agent Jay, re the question of increasing acceptance powers read and noted.

A letter from Governor Seay re payments on Federal Reserve notes presented and noted.

A letter from Governor Harding to Secretary of the Treasury McAdoo regarding priorities in capital issues read and discussed.

On motion, it was voted that Committee No. 4 be requested to make investigation into national income and saving power, and to incur any necessary expense therefor.

At 1 p.m. the Board adjourned.

APPROVED:

Chairman.

A. Parker Wolfe

Secretary.