

At a regular meeting of the Federal Reserve Board held in the office of the Board on Monday, January 7, at eleven a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on January 4 were read and, on motion, approved.

The minutes of the meeting of the Executive Committee held January 5, were presented and, on motion, approved and the action therein set forth ratified.

A letter from Governor McDougal, dated January 3, relative to the qualifications of Mr. R. B. Locke, was read and noted.

The Secretary informed the Board of the resignation of Mr. P. M. Kerst as national bank examiner.

A letter from Mr. A. E. Duncan of the Commercial Credit Company of Baltimore re the financing of automobile business, was read and discussed. On motion, it was referred to the Executive Committee to prepare a draft of reply along the lines

of the Board's policy as already mapped out.

Mr. Warburg having notified the Board that he had informally been advised that the Comptroller's call for condition of national banks had been made as of December 31, it was voted that the Board announce its policy to call for four reports annually, one at the end of December, one at the end of June, and two at intervening dates, to be, as far as possible, identical with those named by the Comptroller.

Governor Harding read a telegram from Governor J. Z. Miller re the salary of Examiner J. D. Rising at Kansas City, and, on motion, it was voted to say informally that the Board would be willing to approve an advance in Mr. Rising's salary to \$8,000.

A letter from Federal Reserve Agent Hardy regarding reports of State banks, dated January 3, was read, noted and referred to Governor Harding for reply.

A letter from Assistant Secretary of the Treasury Rowe regarding licenses for certain letters of credit, was ordered referred to Mr. Kent for report.

Reports of Committee No. 3 were presented, discussed and acted upon as follows:

Dated January 4, 1916, relative to the status of di-

rectors of the Mellon National Bank of Pittsburgh - Approved.

Dated December 22, 1917, relative to the status of directors of the Commercial Germania Savings Bank - Approved.

Dated January 4, 1918, relative to the status of Messrs. Armour, Oliver, Mitchell, Spoor and Shedd - Approved.

Dated December 31, 1917, relative to compensation received by Messrs. Nesbit and Ayres of Pittsburgh - voted that the Governor write to the Comptroller to transmit to Mr. Nesbit that should the matter be referred to the Board after the proposed payment had been made, the Board would feel called upon to call it to the attention of the Attorney General of the United States.

Dated December 31, 1917, requiring the endorsement of paper presented for collection at New York. Approved.

Dated January 2, 1918. Approving the application of Mr. A. F. Huston under the Clayton Act. Approved.

Dated December 26, 1917, approving increase of the capital stock of the American Trust Company, Charlotte, N.C. Approved.

Dated January 2, 1918, stating the Board's view adverse to the use of power of attorney in lieu of endorsement. Approved.

Dated January 4, 1918, approving the application of

Mr. Thornton Cooke under the Clayton Act. Approved.

Dated January 5, 1918, relative to the status of Mr. Thomas Kearns under the Clayton Act. Approved.

Dated January 5, 1918, relative to the status of certain directors of the First National Bank of Hartford, Conn. Approved.

Dated January 5, 1918, relative to the status of Mr. John G. Rouse under the Clayton Act. Approved.

A report of Committee No. 1 approving the salary of Cashier George H. Keesee of Richmond, at \$5,000 per annum, dated January 1, 1918, was presented and, on motion, approved.

Reports of Committee No. 2 were presented and approved as follows:

Dated January 2, 1918, authorizing the establishment of a branch of the American Foreign Banking Corporation at Port au Prince, Haiti.

Dated January 7, 1918, recommending the admission of the following State institutions upon conditions named in each case:

Security Savings & Trust Co., Erie, Pa.
Citizens Bank & Trust Co., Athens, Ala.,
Lenawee County Savings Bank, Adrian, Mich.
Gallatin Trust & Savings Bank, Bozeman, Mont.

Wells-Dickey Trust Co., Minneapolis, Minn.
 Hudson Trust Co., West Hoboken, N.J.
 Farmers and Merchants Bank, Stockton, California.

Changes in stock at Federal Reserve banks, duly recommended by Committee No. 3, were, on motion, approved as follows:

Applications for Additional Stock.

<u>District No. 2.</u>		Shares
First National Bank	Tuckahoe, N. Y.	1
Otselic Valley National Bank	So. Otselic, N.Y.	1
First National Bank	Southampton, N.Y.	6
First National Bank	Sodus, N. Y.	1
Union National Bank	Schenectady, N.Y.	30
Saranac Lake National Bank	Saranac Lake, N.Y.	1
Rye National Bank	Rye, N.Y.	3
Redwood National Bank	Redwood, N.Y.	3
First National Bank	Ravena, N.Y.	1
First National Bank	Plattsburg, N.Y.	6
National Bank of Commerce	New York, N.Y.	3,000
Citizens National Bank	New York, N.Y.	270
First National Bank	Massena, N.Y.	15
First National Bank	Marion, N.Y.	1
First National Bank	Lindenhurst, N.Y.	1
Rondout National Bank	Kingston, N.Y.	12
Sandy Hill National Bank	Hudson Falls, N.Y.	48
First National Bank	Heuvelton, N.Y.	2
First National Bank	Groton, N.Y.	12
Union National Bank	Friendship, N.Y.	9
First National Bank	Freeport, N.Y.	3
Cooperstown National Bank	Cooperstown, N.Y.	1
Bridgehampton National Bank	Bridgehampton, N.Y.	1
First National Bank	Weedsport, N.Y.	3
First National Bank	Argyle, N.Y.	3
First National Bank	Sea Bright, N.J.	2
Second National Bank	Red Bank, N.J.	135
First National Bank	Millburn, N.J.	2
 <u>District No. 6.</u>		
First National Bank	Lawrenceburg, Tenn.	5
First National Bank	Pikeville, Tenn.	1
First National Bank	Centreville, Tenn.	2
American National Bank	Knoxville, Tenn.	1

<u>District No. 6. (Con.)</u>		Shares
Maury National Bank	Columbia, Tenn.	3
First National Bank	Montezuma, Ga.	5
First National Bank	Fitzgerald, Ga.	3
First National Bank	West Point, Ga.	3
Pembroke National Bank	Pembroke, Ga.	1
Calhoun National Bank	Calhoun, Ga.	3
First National Bank	La Pine, Ala.	2
Gadsden National Bank	Gadsden, Ala.	1
Bessemer National Bank	Bessemer, Ala.	3
First National Bank	Scottsboro, Ala.	2 35
 <u>District No. 7.</u>		
First National Bank	Plattsville, Wis.	30
National Bank of America	Gary, Ind.	36
First National Bank	Elkader, Ia.	6
Farmers National Bank	Red Oak, Ia.	2
National Produce Bank	Chicago, Ill.	144 218
 <u>District No. 9.</u>		
First National Bank	Plevna, Mont.	4 4
 <u>District No. 11.</u>		
First National Bank	Baird, Tex.	2
Citizens National Bank	Jasper, Texas,	1
Citizens National Bank	Longview, Tex.	3
First National Bank	Olney, Tex.	4
Citizens National Bank	Sour Lake, Texas	3 13
Total,		3843

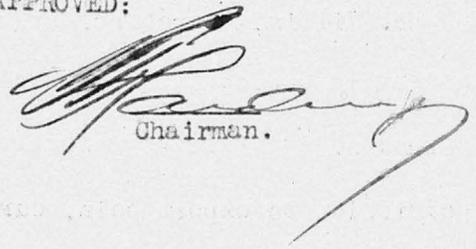
A draft of a letter to all Governors and Federal Reserve Agents regarding the custody of commercial paper and the method of accounting therefor, was read and modified and referred back to Governor Harding with approval.

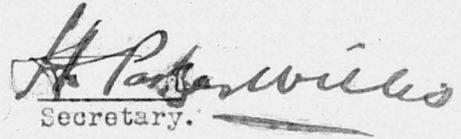
Mr. Miller reported that a conference had been held by him on the preceding day with a committee representing the American Economic Association which is making

of prices, and, on motion, it was voted that such cooperation as the Board could extend at an expense and under conditions to be determined by Mr. Miller, should be furnished.

On motion, at 12.30 p.m. the Board adjourned.

APPROVED:


Chairman.


Secretary.