

At a regular meeting of the Federal Reserve Board held in the office of the Board on Wednesday, January 9, at eleven, a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on January 7 were read and, on motion, approved.

The minutes of the meetings of the Executive Committee (Gold Exports) held January 8 and 9, were presented and, on motion, approved and the action therein set forth ratified.

Correspondence with Assistant Secretary R. C. Leffingwell relative to an additional credit of 10,000,000 rupees, was read and noted, and referred to Mr. Kent for action.

Correspondence with Assistant Secretary Leffingwell re the discount of seed warrants, was read and referred to Counsel; suitable reply to be sent by the Governor.

A memorandum of Counsel re the proposed regulations as to foreign exchange, accompanied by copies of the regulations proposed, was read and the copies distributed to members present. The matter was laid on the table until the next meeting

of the Board.

A memorandum of Counsel regarding the payment of the expense of administering the foreign exchange regulations of the Board, was read and ordered referred to Mr. Kent for an estimate of expense.

Counsel of the Board having submitted a proposed form of letter for use in replying to inquirers who submit hypothetical questions, it was, on motion, voted to approve the proposed letter and order its use in appropriate conditions.

The Secretary of the Board read a letter from Federal Reserve Agent Austin giving the results of the choice of officers at the Federal Reserve Bank of Philadelphia.

Governor Harding read a letter from Governor Rhoads as to the possible loss of certain securities, which was referred to Mr. Broderick for report.

The Secretary read a letter from Federal Reserve Agent Austin re the question of reports of State member dividends in Philadelphia. On motion, it was voted to authorize the reporting of dividends for the usual dividend periods observed by members, the Secretary to send notice to all Federal Reserve banks accordingly.

Governor Harding read a letter from Governor McDougal notifying him of the reduction of the service charge at Chicago from 1½ cents to 1 cent per item, which was referred to Committee No. 1.

The secretary read a letter from Governor McDougal re the salary of Mr. W. F. McLallen, which was referred to Committee No. 1.

Formal notice of the acceptance of appointments by Messrs. Ballentine, Hodges, Burke and Wellborn, was laid before the Board.

A letter from Mr. W. W. Hoxton of St. Louis re deposits of non-member banks, was read and referred to Committee No. 1 for report.

A report from Committee No. 1, dated January 8, re salaries of assistant Federal Reserve Agents at Atlanta, was read and, on motion, approved.

A report of Committee No. 2 approving the purchase of \$50,000 stock in the American Foreign Banking Corporation by the Merchants National Bank of St. Paul, was read and, on motion, approved.

Reports of Committee No. 3 were presented and approved as follows:

Applications for Surrender of Stock.

		Shares	
<u>District No. 4.</u>			
First National Bank	Derry, Pa.	60	60
<u>District No. 6.</u>			
First National Bank	East Point, Ga.	30	30
<u>District No. 9.</u>			
First National Bank	Henry S. Dak.	18	
First National Bank	South Shore, S. Dak.	19	37
<u>District No. 11.</u>			
Texas City National Bank	Texas City, Tex.	32	32
Total,			159

Applications for Original Stock.

<u>District No. 5.</u>			
Bluefield National Bank	Bluefield, W. Va.	60	60
<u>District No. 9.</u>			
Stockmens National Bank	Hardin, Mont.	24	
First National Bank	Circle, Mont.	17	
Bathgate National Bank	Bathgate, N. D.	18	59
Total,			119

Passing upon the status of directors at the Philadelphia National Bank under the Clayton Act.

A memorandum of Mr. Jacobson regarding accommodations for the Division of Statistics was read and, on motion, referred to Committee No. 4 for report to the Executive Committee, the latter to be thereupon authorized to act.

A letter from Assistant Secretary Rowe to Governor Harding relative to exchange arrangements with Argentina, was read and, on motion, it was voted that the substance

of the letter and accompanying documents be transmitted by the Governor to the Federal Reserve Bank of New York.

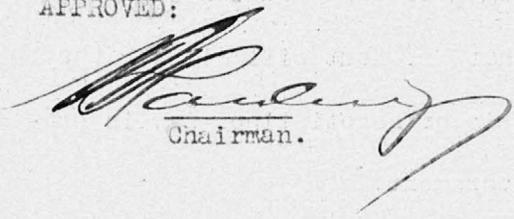
Governor Harding presented a report from Examiner Adelson regarding conditions at Atlanta, which was received and ordered referred to the Committee on Operation of the Federal Reserve Bank of Atlanta.

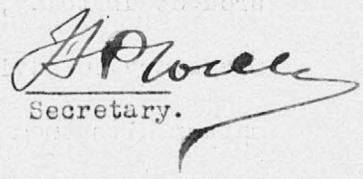
Mr. Warburg read a memorandum regarding present practices as to bankers' acceptances and changes called for therein. The memorandum was ordered circulated.

General discussion with reference to conditions at, and methods of management of, reserve banks, ensued.

On motion, at 12.40 p.m. the Board adjourned.

APPROVED:


Chairman.


Secretary.