

At a regular meeting of the Federal Reserve Board held in the office of the Board at 12:40 P. M., on Monday, February 18, 1918,

PRESENT: Mr. Harding, presiding, Mr. Miller, Mr. Hamlin, Mr. Delano, Mr. Warburg, Mr. Willis, Secretary.

The minutes of the meetings of the Board held on February 16 and 18 were presented and, on motion, approved and the action therein set forth ratified.

Upon recommendation of the Secretary of the Board his authority to act as Fiscal Agent was, on motion, revoked.

On motion, it was voted that Committee No. 3 report upon a possible change in the form of the bond of the Fiscal Agent designed to cover both him and anyone who might be designated to act in his place from time to time.

The Secretary of the Board presented discount rate sheets (no changes being asked for) which were noted and ordered passed to file.

A letter from Federal Reserve Agent Ramsey, relative to the method of making examinations of incoming

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State Banks, was read and, on motion it was voted that Mr. Harding advise Mr. Ramsey that Reserve Banks may make their own examinations of member banks.

A draft of the Syndicate Agreement relating to the financing of the current Cuban crop, transmitted by Mr. J. F. Curtis, was ordered referred to Committee No. 2.

A memorandum prepared by Mr. Warburg, recommending that no action be taken with respect to the suggestion that Federal Reserve Banks be authorized to receive deposits of State funds, was read and ordered passed to file.

A letter from Federal Reserve Agent Jay, regarding the recent ruling of the Comptroller of the Currency with respect to excess loans when such loans are secured by Government bonds, was referred to Committee No. 3.

A letter from President Hinsch of the American Bankers' Association, transmitting a letter written by him to the American Tobacco Company regarding the use of trade acceptances, was referred to Committee No. 2.

A letter from Federal Reserve Agent Austin, regarding the recovery of bonds previously lost by the Federal Reserve Bank of Philadelphia, was presented and

and noted.

Governor Harding presented business which was acted upon as follows:

A letter from Mr. N. A. Carpenter inquiring about certain amendments to the National Bank Act, - read and referred to Committee No. 2.

A letter from Mr. J. E. Zunts, regarding the inability to use certain funds at the New Orleans Branch, owing to the difficulty of turning over Federal Reserve notes at New Orleans, was read and, on motion, referred to the Governor with power to act.

A letter from Federal Reserve Agent Rich, regarding the sales of Certificates of Indebtedness in the Ninth District, - read and noted.

A letter from the Chief of the War Department, asking that each Federal Reserve Bank detail one clerk to keep watch on suspicious accounts, - read and referred to Governor Harding with power to act.

Mr. Hamlin called attention to the fact that the Capital Issues Committee had carefully reviewed the schedule of salaries and believed the present schedule the best it could arrange.

Reports of Committee No. 1 were read and, on mo-

tion, were approved as follows:

Recommending the appointment of Mr. J. C. Ould at \$1,440, effective February 18 (Board's staff).

Recommending the appointment of Mr. Lewis E. Hynes at \$1,500 per annum, effective February 19 (Division of Foreign Exchange).

Recommending a salary of \$1500 per annum for Mr. A. A. Moore (Board's staff) effective this date.

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

Recommending that the Farmers Loan and Trust Company of New York be granted authority to accept up to 100% of capital and surplus.

Recommending that the Springfield National Bank be permitted to purchase \$34,000 of stock in the American Foreign Banking Corporation.

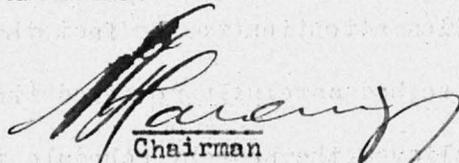
Recommending the admission of the following institutions to the Federal Reserve System, upon the conditions named by the Committee in each case:

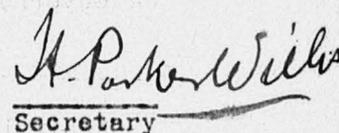
Security State Bank, Neligh, Nebraska
18 shares in the Federal Reserve Bank of Kansas City.

Union Bank & Trust Co., Baton Rouge, Louisiana.
90 shares in the Federal Reserve Bank of Atlanta.

On motion, at 1:05 P. M., the Board adjourned.

APPROVED:


Chairman


Secretary