

At a regular meeting of the Federal Reserve Board held in the office of the Board on Monday, February 25, 1918, at 11 a. m.,

PRESENT:

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

The minutes of the meeting of the Board held on February 20 were read and, on motion, approved.

The minutes of the meeting of the Executive Committee held on February 23 were read and, on motion, approved, and the action therein set forth ratified.

Minutes of the meetings of the Gold Exports Committee held on February 21-25 inclusive were presented and on motion, approved, and the action therein set forth ratified.

Minutes of the meetings of the Capital Issues Committee held on February 13, 18, and 20 were presented and, on motion, approved and the action therein set forth ratified.

A memorandum of Counsel re the withdrawal of the Elmhurst State Bank was read and, on motion, approved, the Bank to be released in six months.

A letter from Federal Reserve Agent Austin re conditions at Philadelphia in the handling of bills deposited as collateral was read and noted.

A letter from Federal Reserve Agent Wills re dividends at Cleveland was read and laid on the table until Wednesday, February 27.

A memorandum of Mr. Warburg re the conservation of gold by the Treasury was read and, on motion, ordered sent with a confidential letter to each Federal Reserve Bank by Governor Harding.

The report of Chief Examiner Broderick re the Federal Reserve Bank of Boston was referred to the Boston Committee.

A memorandum of Mr. Warburg re the rate for purchase and repurchase of United States certificates of indebtedness was read and the general rate question discussed. On motion, the question of rates was made the order for a special meeting of the Board to be held on Friday, March 1, the Governor to notify the Secretary of the Treasury of the action taken.

The question of a statement for the press re rates of interest on bank deposits was referred to the Executive Committee with power.

Proposed increases of rate at Dallas and a communi-

cation from Federal Reserve Agent Austin on the same subject were referred to Committee No. 2.

A letter from C. R. McKay relative to reasons why certain banks have failed to subscribe more freely for certificates of indebtedness was presented and ordered circulated.

A letter from Governor Wold re activities of the "Non-Partisan League" was ordered referred to the Department of Justice through Mr. Hamlin.

A report of Committee No. 1 was approved as follows:

Dated February 26, recommending a salary of \$2,700 per annum for Bank Examiner Patterson, effective March 1, 1918.

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

Dated February 19, recommending the admission of state institutions on terms named by the Committee in each case, as follows:

Rhode Island Hospital Trust Co. Providence, R.I.
3,900 shares in the Federal Reserve Bank of Boston.

Harvard Trust Co., Cambridge, Mass.
180 shares in the Federal Reserve Bank of Boston.

Dated February 18, granting acceptance powers to 100% to the Interstate Trust Company, New Orleans.

" " " 21, holding trade acceptances given by electrical contractors eligible.

Dated February 23, authorizing the establishing of the Havana branch of the American Foreign Banking Corporation, an order being accordingly entered as follows:

AT A STATED MEETING OF THE FEDERAL RESERVE BOARD, held in its office in the City of Washington, District of Columbia, on February 25, 1918.

P R E S E N T :

- Mr. Harding
- Mr. Warburg
- Mr. Delano
- Mr. Miller.

In the Matter

of the

Application of the American Foreign Banking Corporation of New York for permission of the Federal Reserve Board to establish a branch in City of Havana, Republic of Cuba.

ORDER APPROVING APPLICATION.

The American Foreign Banking Corporation of New York, created and organized under the laws of New York, having entered into an agreement with the Federal Reserve Board in accordance with Section 25 of the Federal Reserve Act to conduct its banking operations subject to the general regulations of the

Board, and having pursuant to that agreement applied for permission of the Federal Reserve Board to establish a branch in the City of Havana, Republic of Cuba.

NOW, THEREFORE, IT IS ORDERED that said application be and it is hereby approved.

The foregoing is a true copy of order this day entered on the records of the Federal Reserve Board.

Secretary

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

- Dated February 13, withholding for the present fiduciary powers requested by the First National Bank of Milford, Delaware.
- " " 15, granting the application of F. K. Struve under the Clayton Act.
- " " 16, re unrestricted endorsements on F. R. Agents' paper, referred to Executive Committee with power to send a suitable amendment to the F. R. Act to the Congressional authorities.
- " " 20, approving the issue of capital stock by the Federal Reserve Bank of New York, as follows:

Application for additional stock.

District No. 2.

	Shares
Farmers Loan & Trust Company New York, N. Y.	5,400

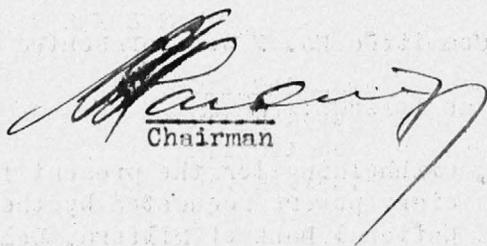
Governor Harding read a memorandum of Counsel re the proposed legislation regarding the status of savings banks in California, which was referred to the Executive

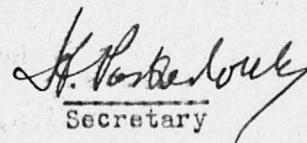
Committee.

After discussion it was agreed that Mr. Nathan Musher of the Pompeian Oil Company be given a formal hearing before the Board, a written brief and application to be first formally filed.

On motion, at 1:05 the Board adjourned.

APPROVED:


Chairman


Secretary