

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Wednesday, March 6, 1918, at 11 A. M.,

PRESENT:

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

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

The minutes of the meetings of the Gold Exports Committee held on March 5 and 6 were presented and, on motion, approved, and the action therein set forth ratified.

The minutes of the meetings of the Capital Issues Committee held on February 28 and March 1 were presented and, on motion, approved, and the action therein set forth ratified.

The minutes of the joint session of Federal Reserve Agents and of the Federal Reserve Board were reported by Mr. Delano and ordered received and passed to file.

Mr. Harding read a telegram from Mr. George M. Reynolds of Chicago regarding the payment of rates

on bank balances and referring to the proposed action by the New York Clearing House Committee in arranging a sliding scale of interest to be paid, on deposits, such scale to be adjusted to the 90-day rate at the Federal Reserve Banks. He also read a draft of a letter to President Frew of the Corn Exchange Bank of New York and Chairman of the New York Clearing House Association. Mr. Harding further read a letter on the interest rate question which he had sent to Mr. E. L. Swearington, President of the Louisville Clearing House Association. The matter was placed in the hands of the Executive Committee for the preparation of a letter to Mr. Frew for the New York Clearing House.

Mr. Harding read a letter from Mr. Joseph Wayne of Philadelphia, relative to a circular received from the Comptroller of the Currency, calling attention to the question of usurious rates. The matter was discussed with Counsel and referred to the latter for a report.

A letter from Mr. Herbert Hoover, enclosing a memorandum from the Buyers and Sellers Association of Amarillo, Texas, was presented and noted.

A letter from Assistant Secretary Leffingwell, enclosing communications from the cable censor, inquiring whether messages regarding speculation in foods and securities should be suppressed or not, was read, and it was agreed to say that the Board has devised machinery for supervising foreign transactions in securities.

A letter from Federal Reserve Agent Jay, outlining a plan for the sale of securities, was ordered mimeographed and circulated, among reserve banks.

A request from the Alien Property Custodian as to the suitability of John R. Willis of Juneau as a depository officer, was ordered answered with such information as the Board has in its possession.

A letter from Treasurer Burke, re loan conditions in North Dakota, was ordered referred to Assistant Secretary Leffingwell.

Reports of Committees were approved as follows:

No. 1 Dated March 6, appointing Miss G. E. Coombe at \$720 and Miss H. A. de Vigne at \$780 in the Division of Foreign Exchange, effective March 6.

No. 2. " " " 5, favoring the admission of state institutions as follows upon terms named in each case:

Manistee County Savings Bank, Manistee, Mich.  
120 shares in the Federal Reserve Bank of Chicago.

First State Bank, Franklin, Texas,  
23 shares in the Federal Reserve Bank of Dallas.

First State Bank, Weatherford, Texas.  
84 shares in the Federal Reserve Bank of Dallas.

No. 3. Dated Feb. 19, requesting an opinion from  
Counsel as to the power of  
the Board to permit banks  
in reserve cities to carry  
lower reserves.

No. 3. " " 19, requesting an opinion from  
Counsel re excess loans on  
bonds of national banks.

No. 3. " March 5, recommending changes in capi-  
tal stock as follows:

Applications for original stock.

District No. 7.

		Shares	
Security National Bank	Sheboygan, Wis.	<u>300</u>	300

District No. 10.

Clayton National Bank	Clayton, N. Mex.	<u>21</u>	<u>21</u>
Total.....			321

Applications for additional stock.

District No. 4.

		Shares	
Farmers & Miners National Bank,	Bentleyville, Pa.	5	
Jefferson County National Bank,	Brookville, Pa.	<u>30</u>	35

District No. 5.

The National Bank of	Fairfax, Va.	1	
Peoples National Bank	Rock Hill, S. Car.	<u>6</u>	7

District No. 6.

First National Bank	Guntersville, Ala.	4	
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<u>District No. 6, Cont'd.</u>		
National Bank of	Tifton, Ga.	9 22
National City Bank of	Rome, Ga.	<u>9</u>
 <u>District No. 9.</u>		
Citizens National Bank	Wolf Point, Montl	<u>1</u>
		62

Applications for surrender of stock.

<u>District No. 7.</u>	Shares
Farmers National Bank	Virginia, Ill. 50

The appointment of a stenographer recommended by Mr. Miller was referred to the Committee on Staff.

On motion, Messrs. Hamlin and Delano were authorized to accept invitations from the Speakers Liberty Loan Bureau to make tours for the purpose of assisting in the placing of bonds, the travel to be at the expense of the Board.

On motion, at 12:30 the Board adjourned.

APPROVED:

*[Handwritten Signature]*  
Chairman

*[Handwritten Signature]*  
Secretary