

At a postponed meeting of the Federal Reserve Board held in the office of the Governor on Saturday, March 23, 1918,

PRESENT:

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

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

The minutes of the meetings of the Gold Export Committee held on March 22 and 23 (two meetings) 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 March 15, 18, and 19 were presented and, on motion, approved and the action therein set forth ratified.

Mr. Harding read an opinion of the Attorney General relative to the interpretation of the clearing and collection provisions of the Federal Reserve Act, which was ordered circulated.

Mr. Harding further presented business as

follows:

A telegram from Senator Owen relative to a branch in Oklahoma, and from various Oklahoma banks relative to the treatment of oil paper, which were noted.

A letter asking the Secretary of the Treasury for a sum of \$21,383.98 for the expenses of the Division of Foreign Exchange to June 20, 1918. The letter was approved.

A memorandum of Counsel re the status of certain drafts submitted by the Cassidy-Southwestern Commission Company. The memorandum was approved.

A letter from Federal Reserve Agent Hardy, enclosing a letter from Swift & Company and a form of draft submitted by the latter, which were referred to Committee No. 2.

A letter addressed by Mr. Harding to Federal Reserve Agent Ramsey of Dallas declining the application of the First National Bank of Amarillo, Texas for power to act as agent of non-member banks asking for rediscounts. The letter was approved and the application of the First National Bank of Amarillo accordingly declined.

The question of directors at El Paso coming up, the Dallas Committee reported favorably to the

appointment of Messrs. W. W. Turney and E. P. Coles, and, on motion, the two nominees were declared elected, the Secretary to give notice accordingly.

A telegram from Federal Reserve Agent Perrin stating that the Bank of San Francisco had had an opportunity to acquire a considerable volume of abraded gold from local banks, was read and the matter referred to the Governor for reply.

A letter from the Comptroller of the Currency re the loss of the lower halves of \$63,500 Federal Reserve notes shipped from the New Orleans branch to the Treasurer of the United States, was read and referred to Committee No. 3, to consult with Counsel.

An opinion of Mr. J. P. Cotton re the right of the Federal Reserve Board to require banks in one part of a reserve city to carry a higher reserve than banks located in outlying districts, was presented and ordered circulated.

On motion, authority to order 500 bound copies of The Index Digest was granted.

Mr. Harding stated that he had appeared before the House Banking and Currency Committee regarding H. R. 10,104 and had expressed the views

of the Board of Governors of the Federal Reserve System.

of the Board regarding this bill which is intended to carry into effect the Board's recommendations for changes in the Federal Reserve Act.

A memorandum from the Assistant Treasurer of the United States, transmitting applications of Federal Reserve banks to transfer 2% bonds to Reserve banks, was presented and the Secretary directed to say that no apportionment of bonds will be made.

Mr. Harding stated that the safe belonging to the Board, formerly used for gold certificates, had been loaned to the Comptroller of the Currency.

A telegram from Federal Reserve Agent Perrin re a conference of California state banks considering membership in the Federal Reserve System, was read and it was agreed to name Monday, April 8 as the date for an interview with a committee representing the California state banks.

A letter from J. H. Boyd, submitted by Mr. Miller, re the retention of proceeds of Liberty bonds in the district where they originate, was read and noted.

On motion, reports of Committee No. 1 were

approved as follows:

Dated March 23, approving the schedule of salaries for the Baltimore branch of the Richmond bank at \$40,920.

" " 22, recommending the appointment of Miss Minnie Hatfield in the Division of Foreign Exchange in New York, at \$720 per annum, effective March 25.

" " 21, recommending the appointment of Mrs. Florence Marsa in the Division of Foreign Exchange at New York at a salary of \$960 per annum, effective March 25.

" " 20, recommending certain changes in the staff of the Governor's office and in the file room.

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

Dated March 22, approving the application of the National Bank of Commerce, Baltimore, Maryland to accept up to 100% of its capital and surplus.

" " 22, approving the application of the Bank of New York, New York, for authority to accept up to 100% of its capital and surplus.

" " 22, approving the application of The U. S. National Bank of Portland, Ore., for permission to invest in stock of The American Foreign Banking Corporation up to \$13,600.

On motion, the following state institutions were admitted upon conditions named by the committee

in each case:

Carroll County State Bank, Mt. Carroll, Ill.  
45 shares in the Federal Reserve Bank of Chicago.

Williams Valley Bank, Williamstown, Pa.  
57 shares in the Federal Reserve Bank of Philadelphia.

Alto State Bank, Alto, Texas,  
20 shares in the Federal Reserve Bank of Dallas.

Parma State Bank, Parma, Idaho.  
75 shares in the Federal Reserve Bank of San Francisco.

Commercial Bank & Trust Co., Laurel, Miss.  
75 shares in the Federal Reserve Bank of Atlanta.

American Trust Co., St. Louis, Mo.  
669 shares in the Federal Reserve Bank of St. Louis.

On motion, reports of Committee No. 3, recommending changes of stock in Federal Reserve banks were approved as follows:

Applications for additional stock.

<u>District No. 4.</u>		Shares
First National Bank	North Balto., O.	1
Farmers National Bank	Haviland, Ohio.	<u>1</u> 2
 <u>District No. 5.</u>		
First National Bank	Harrisonburg, Va.	84
Farmers & Merchants N. B.	Onley, Va.	6
Barquier National Bank	Warrenton, Va.	<u>30</u> <u>120</u>
 <u>District No. 6.</u>		
Citizens National Bank	Athens, Tenn.	1
Farmers & Merchants N. B.	Enterprise, Ala.	6
First National Bank	Clarksville, Tenn.	<u>15</u> <u>22</u>
 <u>District No. 12.</u>		
First National Bank	San Diego, Cal.	<u>200</u> <u>200</u>
	Total.....	344

Applications for additional stock.District No. 7.

First National Bank	Cambridge, Ill.	15
Interstate National Bank	Hegewisch, Chicago,	3
-	Illinois.	
First National Bank	Chrisman, Ill.	1
First National Bank	Danvers, Ill.	6
First National Bank	Dwight, Ill.	3
First National Bank-	Elmhurst, Ill.	1
Galesburg National Bank	Galesburg, Ill.	45
First National Bank	Granville, Ill.	2
Hopedale National Bank	Hopedale, Ill.	1
Joliet National Bank	Joliet, Illinois.	30
First National Bank	Lockport, Ill.	1
National Bank of	Mattoon, Ill.	45
First National Bank	Nauvoo, Ill.	1
First National Bank	Peoria, Ill.	15
Central National Bank	Peoria, Ill.	39
First National Bank	St. Anne, Ill.	3
First National Bank	Secor, Ill.	33
Ridgely National Bank	Springfield, Ill.	30
First National Bank	Stronghurst, Ill.	14
Taylorville National Bank	Taylorville, Ill.	2
First National Bank	Villa Grove, Ill.	2
Farmers National Bank	Warsaw, Ill.	2
First National Bank	Flint, Mich.	30
Ithaca National Bank	Ithaca, Mich.	2
Union National Bank	Muskegon, Mich.	15
First National Bank	Richmond, Mich.	2
Michigan National Bank	St. Clair Heights,	
	Michigan.	10
St. Johns National Bank	St. Johns, Mich.	9
Peoples National Bank	Albia, Iowa	6
First National Bank	Cambridge, Iowa	6
Abram Rutt National Bank	Casey, Iowa	9
First National Bank	Centerville, Iowa.	9
First National Bank	Chelsea, Iowa.	2
Security National Bank	Cherokee, Iowa	3
First National Bank	Conrad, Iowa.	1
Creston National Bank-	Creston, Iowa	1
First National Bank	Eldon, Iowa.	1
First National Bank	Fairfield, Iowa.	6

<u>District No. 7. Cont'd.</u>	Bro't for'd.....	375
First National Bank	Gilmore City, Iowa.	1
First National Bank	Greenfield, Iowa.	9
First National Bank	Kanawha, Iowa.	5
First National Bank	Lawler, Iowa	2
Farmers National Bank	Owage, Iowa.	15
First National Bank	Prescott, Iowa	3
Red Oak National Bank	Red Oak, Iowa.	30
Shenandoah National Bank	Shenandoah, Iowa.	6
Continental National Bank	Sioux City, Iowa	2
First National Bank	State Centre, Iowa.	3
Villisca National Bank	Villisca, Iowa.	1
Peoples National Bank	Waukon, Iowa.	4
Fayette County N. B.	West Union, Iowa.	3
Citizens National Bank	Winterset, Iowa.	8
City National Bank	Auburn, Ind.	1
First National Bank	Aurora, Ind.	1
The National Bank	Brookville, Ind.	5
First National Bank	Cayuga, Ind.	1
First National Bank	Covington, Ind.	2
Bright National Bank	Flora, Ind.	1
First National Bank	Fortville, Ind.	1
German - American N. B.	Fort Wayne, Ind.	5
American National Bank	Kewanha, Ind.	2
Union County National Bank	Liberty, Ind.	30
Lowell National Bank	Lowell, Ind.	2
State National Bank	Lowell, Ind.	3
First National Bank	Mishawaka, Ind.	4
Delaware County National Bk.	Muncie, Ind.	6
Farmers National Bank	New Castle, Ind.	3
Lawrence National Bank	No. Manchester, Ind.,	6
Rushville National Bank	Rushville, Ind.	15
Farmers & Merchants N. B.	Wabash, Ind.	6
First National Bank	Wakarusa, Ind.	2
Discount & Deposit State Bk.	Kentland, Ind.	3
Bankers Loan & Trust Co.	Sioux City, Iowa.	2
Security Trust & Savings Bk.	Cedar Falls, Iowa.	2
State Bank of	Coloma, Mich.	2
Austin State Bank	Chicago, Ill.	3
Union Trust Co.	Chicago, Ill.	120
First-Merchants Natl Bank	Lafayette, Ind.	160
First National Bank	Fennimore, Wis.	2
Citizens National Bank	Grand Rapids, Wis.	1
Commercial National Bank	Madison, Wis.	2

Bro't For'd..... 881

District No. 7. Cont'd.

First National Bank	Mayville, Wis.	1	
First National Bank	Menasha, Wis.	12	
National Manufacturers Bank	Neenah, Wis.	7	
First National Bank	Oconomowoc, Wis.	1	
First National Bank	Port Washington, Wis.	3	
First National Bank	Seymour, Wis.	2	
Citizens National Bank	Stevens Point, Wis.	3	
First National Bank	Viroqua, Wis.	4	
First National Bank	Wauwatosa, Wis.	3	
	Total.....	917	

Applications for original stock.District No. 3.

Clementon National Bank	Clementon, N.J.	9	9
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District No. 5.

	Manning, S. C.	18	18
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District No. 7.

First National Bank	Cuba, Illinois.	26	26
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District No. 10.

Allen National Bank	Allen, Okla.	17	
Citizens National Bank	Torrington, Wym.	8	25

District No. 11.

Citizens National Bank	Godley, Tex.	15	15
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District No. 12.

Jerome National Bank	Jerome, Idaho.	27	27
	Total.....	126	

Applications for surrender of stock.District No. 2.

Peoples National Bank	Hackensack, N.J.	180	180
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District No. 4.

First National Bank	Loudonville, O.	19	19
			199

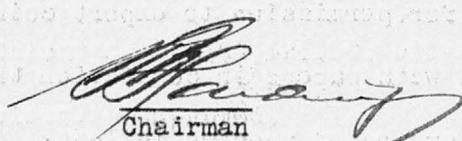
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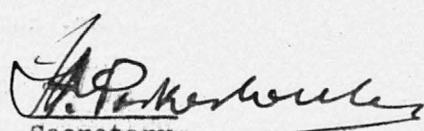
<u>District No. 7.</u>	Bro't for'd.....	199	
First National Bank	Hammond, Ind.	15	
First National Bank	Shelbyville, Iowa	9	
Merchants National Bank	Burlington, Iowa	<u>15</u>	238

<u>District No. 10.</u>	Independence, Kans.	<u>120</u>	<u>120</u>
First National Bank	Total.....		3588

On motion, at 4:45 P. M., the Board adjourned.

APPROVED:

  
Chairman

  
Secretary