

At a regular meeting of the Federal Reserve Board held in the office of the Board on Wednesday, April 3, at 11 A. M.,

PRESENT:

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

The minutes of the meeting of the Board held on April 1 were read and, on motion, approved.

The minutes of the meeting of the Executive Committee held on April 2 were read and, on motion, approved, and the action therein set forth ratified.

The minutes of the meeting of the Gold Export Committee held on April 2 were presented and, on motion, approved, and the action therein set forth ratified.

The minutes of the meeting of the Capital Issues Committee held on March 29 were presented and; on motion, approved, and the action therein set forth ratified.

Mr. Harding read a telegram from the Federal Reserve Bank of St. Louis, re the rate made on acceptances in certain transactions, and it was

agreed that he consult further with the officers of the bank by wire.

On motion, it was voted that the Governor enquire of the Treasury authorities and from the New York Federal Reserve Bank the present status of competitive acceptance rates and policies in London and New York.

A letter from Mr. D. G. Wing and reply by Mr. Harding, tentatively approving a proposed charter for a foreign banking corporation, were read, and on motion, the action of the Executive Committee in tentatively authorizing the plan to establish the new foreign bank approved.

A letter from Mr. A. P. Coles, accepting a directorship in the branch bank at El Paso, was presented and noted.

A letter from the President of the Massachusetts Mutual Life Insurance Company, re the distribution of its Liberty Loan subscriptions by Federal Reserve districts, was read and referred to Assistant Secretary of the Treasury Leffingwell.

Reports of Committees were, on motion, approved as follows:

No. 1.

Dated April 2, recommending the appointment of Miss M. F. Kelly (Division of Foreign Exchange) at \$780, effective April 3.

" " 3, recommending appointments in the Division of Foreign Exchange, effective April 8, as follows:

Miss T. C. Johnson,	\$900
" J. Sherman,	780
" M. A. Bowker,	720
" T. D. Hyland,	840

" " 3, recommending the appointment of L. Trueheart, as messenger (Board's staff) effective April 3, at \$65 per month for a probationary period of approximately thirty days, and \$70.00 per month thereafter if services are satisfactory.

No. 3.

Various dates, approving applications under the Clayton Act of Messrs. Willard Hamlin, H. C. Robinson, H. F. Marks, W. C. Fredericks, and Charles G. Brown.

Dated March 26, recommending certain fiduciary powers for the First National Bank of Jefferson City, Missouri, under terms named in the report.

" April 3, recommending changes in capital stock at Federal Reserve banks as follows:

Applications for surrender of stock.

<u>District No. 11.</u>		Shares
Home National Bank	Cleburne, Tex.	27
First National Bank	Galveston, Tex.	60
First National Bank	Stanton, Tex.	<u>18</u> 105

<u>District No. 12.</u>	Bro't for'd.....	105
National Bank of Ventura	Ventura, Cal.	<u>240</u> <u>240</u>
	Total.....	345

Applications for original stock.

<u>District No. 12.</u>		Shares
Seaboard National Bank	Seattle, Wash.	<u>144</u> 144

A report of the Committee on Operation of the Kansas City Bank, considering various sites for a new building for the bank and making recommendations regarding them, was read and referred back to the Committee with the statement that the Board favors site A or site D, but leaves the final choice to be worked out by the Committee in consultation with the Kansas City bank authorities.

Mr. Harding presented business as follows:

Application of W. Novitzky for power for Mr. Khostchinzky to take \$12,000 currency to Russia, approved, subject to assent of the State Department.

A letter from the War Trade Board, re certain transactions of one Marius on behalf, presumably, of German interests,--laid on the table until the arrival of Mr. Kent.

A table of proposed discount rates, submit-

ted by the Federal Reserve Bank of New York,--on
 motion, the rates were approved as follows, effec-
 tive at once:

15 days Government and commercial paper rate..	4 ¹ / ₂ %
16-90 Government rate.....	4 ¹ / ₂ %
16-90 Commercial paper rate.....	4 ³ / ₈ %
16-90 days trade acceptances.....	4 ¹ / ₂ %
91-180 days agricultural paper.....	5 ¹ / ₈ %
Minimum open market rate on bankers acceptances (with no maximum indicated).....	4 ¹ / ₂ %

A letter from Counsel, re the use of trade
 acceptances in paying for printing orders and also
 in connection with coffee mills, etc., holding that
 they can legally be so used,--read and discussed.

At this point Mr. Williams entered the
 meeting.

On motion, the opinion of Counsel re trade
 acceptances was laid on the table, to be circulated
 meanwhile.

A letter from Messrs. McDougal, Fancher and
 Wold, re private telegraph wire service between the
 Federal Reserve banks and the Federal Reserve Board,
 on a specified plan, was read and referred to Mr.
 Harding and Mr. Delano with the understanding that
 the San Francisco bank should be included in the
 proposed circuit. It was further understood that

figures as to cost be secured from the Postal and Western Union Telegraph Companies. A letter from Federal Reserve Agent Wills, re the proposed organization chart for Federal Reserve Banks, was referred to Mr. Delano (papers in his hands).

On motion, at 12:55 P. M., the Board adjourned.

APPROVED:

Chairman

Secretary

