

At a meeting of the Executive Committee of the Federal Reserve Board, held in the office of the Board at 11:20 A. M., on Monday, April 15, 1918,

PRESENT:

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

Mr. Harding presented business as follows:

A letter from Federal Reserve Agent Perrin, re the appointment of the Bank of Italy as agent of the Alien Property Custodian; - read and ordered transmitted to Honorable Mitchell Palmer.

A letter from Federal Reserve Agent Ramsey (Dallas), re the appointment of directors at El Paso; and the discount situation in Dallas; - read and noted.

A letter from Federal Reserve Agent Ramsey (Dallas) re the volume of currency available for redemption now on hand; - read and noted.

A letter from Federal Reserve Agent Ramsey (Dallas), re the general question of rates, especially on live stock paper; - read and noted.

A letter from Federal Reserve Agent Ramsey (Dallas), re membership of The American State Bank

of Durant, Oklahoma, and the population of the town; - read and ordered that Mr. Ramsey be guided by the last Federal Census in determining eligibility.

A letter from Assistant Attorney General Warren, re the recent opinion of the Department of Justice as to clearing charges; - read and noted.

A letter from Governor McDougal, re the operation of the Detroit branch and the appointment of an Assistant Cashier, and noting the need of an amendment of the by-laws to permit such appointment; - read and the proposed amendment modified and approved, the amendment to read as follows:

"And such other subordinate officers as, in the judgment of the Board of Directors of the Federal Reserve Bank of Chicago, shall be necessary to carry on the business of the branch."

A letter from Federal Reserve Agent Heath, protesting against rumored plans to change the Chicago district and establish new branches; - read and noted.

An application from the First National Bank of Boston for permission to subscribe for stock in the First National Corporation, and opinion of Counsel

thereon; - read and the Governor authorized to reply, embodying as much as necessary of Counsel's opinion, and generally approving the plan of subscription.

A memorandum of Counsel, re acceptances secured by warehoused automobiles, holding that the proposed paper is ineligible because automobiles are not readily marketable staples; - read and approved, reply to be sent accordingly.

A letter from Governor McDougal, transmitting a form to be used in protecting the bank in re acceptances made against exported goods, also memorandum of Counsel recommending changes in the proposed form; - read and proposed changes in the form approved, the Governor to reply accordingly.

A copy of a letter from the Editor of the Sacramento "Bee", re publication of names of banks subscribing to Treasury certificates; - read and referred to Mr. Miller as Chairman of the San Francisco Committee.

A letter from the Oliver Chilled Plough Works, re use of words "with attorney's fees" in trade acceptances; - read and referred to Committee

No. 2; also a letter from E. F. Dahn of Seattle, Washington on the proper period of trade acceptance credit.

At this point Mr. Harding was called from the meeting and on his return reported that Secretary Tumulty had stated to him over the telephone that the President is writing him a letter today in answer to his communication of Friday re the application of Musher & Company to export gold to Spain, but that time is so much of the essence of the transaction as to require immediate action and that hence the President desires the license to be issued today. On motion of Mr. Miller, that in accordance with the position of the Board, as communicated to the Secretary to the President in Mr. Harding's letter of April 12, that "if the President would be willing to..... express his opinion as to whether in the circumstances the granting of this application would be compatible with the public interest, the Board would of course act promptly in accordance with his view or directions",--it was voted that the license be granted in compliance with the wishes of the President as expressed by his Secretary, and that Governor

Harding be authorized to take the necessary steps.

A letter from Governor Lynch, re the purchase of bonds by the Fourth and First National Bank of Nashville, Tennessee; - read and ordered circulated.

Reports of Committees were submitted and approved as follows:

No. 1.

Dated April 13, recommending the reappointment of National Bank Examiner E. S. Jernegan at \$2,700, effective on taking office.

" " 12, recommending the appointment of Miss M. M. Dreyer (Division of Foreign Exchange) at \$840, effective April 16.

" " 15, placing Mrs. E. R. Potter of the Division of Issue on the list as granted leave without pay from the date of the expiration of her regular leave of absence and sick leave.

No. 2.

Dated April 15, recommending approval of the application of the Corn Exchange National Bank of Chicago for acceptance powers to 100%.

No. 3.

Dated April 11, recommending the adoption of reports relating to applications under the Clayton Act, filed by E. R. Tinker and T. E. Neal.

Dated April 15, recommending action on applications for fiduciary powers as follows:

Suspending application for powers as trustee, executor, and administrator of National Bank of Commerce, Shawnee, Oklahoma.

Granting powers as trustee, executor, and administrator to: Commonwealth National Bank, Reedville, Virginia. National City Bank, Seattle, Wash.

Trustee, executor, administrator, and registrar to Wyoming National Bank, Casper, Wyoming.

On motion, the Secretary of the Board was instructed to take up with the Federal Reserve Agents the question of issuing a pamphlet re the use of trade acceptances, to obtain such matter as they have already prepared and to refer it to Committee No. 2 for consideration.

On motion, at 12:50 P. M., the Committee adjourned.

APPROVED:

A. P. Keckler
Secretary

Chairman