

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:10 A. M., on Wednesday, May 1, 1918,

PRESENT:

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

The minutes of the meeting of the Board held on April 29 were read and, on motion, approved.

The minutes of the meetings of the Gold Export Committee held on April 30th and May 1 were presented and, on motion, approved, and the action therein set forth ratified.

A memorandum of Counsel, re the charging off of the cost of old buildings on the new site of the San Francisco Bank, was read and, on motion, referred to the Executive Committee with power.

On motion, the Governor was authorized to write a letter to all Federal Reserve banks stating the general policy to be followed with reference to their annual dividend and settlements with the Government.

Forms covering a plan for indemnity of ac-

ceptances were presented and referred to Committee No. 2.

A memorandum of Counsel, re the question of redeeming Federal Reserve notes that cannot be identified, was adopted and ordered communicated to the Division of Issue through the Comptroller.

Governor Harding read a statement showing the ownership of bonds by Federal Reserve banks, obtained by inquiry from the banks themselves by telegraph. It was agreed that the Governor bring the data to the attention of Assistant Secretary Leffingwell and discuss the matter with him.

Governor Harding read a telegram from Governor McCord re the use of the franking privilege. The matter was referred to the Executive Committee.

A memorandum re discount on Canadian checks, transmitted by Assistant Secretary Leffingwell, was read and noted.

A letter from Federal Reserve Agent Wills, re interest on deposits, was read, and it was agreed that the Governor write generally approving the plan outlined, so far as expressed.

Mr. Miller presented a paper transmitted to

him by President Rutter of the Spokane & Eastern Trust Company, which was read and discussed.

Reports of Committees were presented and approved as follows:

No. 1.

Dated April 29, recommending changes in salaries at the Federal Reserve Bank of Chicago.

" May 1, recommending an advance in the salary of A. E. Smith from \$1,800 to \$2,000, effective May 1; and reporting on the status of W. W. Jemison.

No. 2.

Dated May 1, recommending the admission of state institutions upon conditions named by the Committee in each case, as follows:

The Minster State Bank, Minster, Ohio.
24 shares in the Federal Reserve Bank of Cleveland.

State Bank of Geneva, Geneva, Illinois.
30 shares in the Federal Reserve Bank of Chicago.

First Guaranty State Bank, Jacksonville, Tex.
35 shares in the Federal Reserve Bank of Dallas.

No. 3.

Dated April 22, transmitting the minutes of a meeting of the Clayton Act Committee, held April 22, and recommending approval of the latter.

" " 25, outlining the application of the Clayton Act to the interlocking directors of the Irving National Bank and the Irving Trust Company.

Dated April 29, recommending changes in capital stock as follows:

Applications for original stock.

District No. 7.

		Shares	
Citizens National Bank	Webb, Iowa.	<u>30</u>	30

District No. 10.

First National Bank	Towanda, Kans.	<u>17</u>	17
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District No. 11.

Farmers National Bank	Follett, Tex.	15	
Tucson National Bank	Tucson, Ariz.	<u>60</u>	<u>75</u>
Total.....			122

Applications for additional stock.

District No. 1.

		Shares.	
Boylston National Bank	Boston, Mass.	30	
Meriden National Bank	Meriden, Conn.	9	
Andover National Bank	Andover, Mass.	30	
Mechanics National Bank	New Bedford, Mass.	<u>120</u>	189

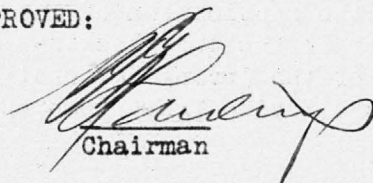
District No. 6.

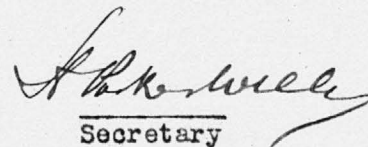
Cumberland Valley National Bank	Nashville, Tenn.	<u>1</u>	<u>1</u>
Total.....			190

The resignation of J. S. Kean of the Board's staff was accepted, effective May 14.

On motion, at 12:45 P. M., the Board adjourned.

APPROVED:


Chairman


Secretary