

At a regular meeting of the Federal Reserve Board held in the office of the Board on Friday, June 7, 1918 at 11 A.M.,

PRESENT:

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

The minutes of the meeting of the Board held on June 5th were read and on motion approved.

The minutes of the meetings of the Gold Export Committee held on June 6th and 7th were presented and on motion approved and the action therein set forth ratified.

The minutes of the meetings of Committee No. 4 held on June 1st and June 5th were read and ordered passed to file.

Governor Harding announced that he had been informed that the Equitable Trust Company of New York, on behalf of Messrs. Musher & Company, had informed the Federal Reserve Bank of New York that it would close at once with the proposed plan of providing exchange at  $4.98\frac{1}{4}$  to liquidate the obligations of the concern referred to.

Governor Harding raised the question of a proposed meeting of the Board to discuss a recent statement made by

the Comptroller re guaranty of deposits and there ensued a discussion of the guaranty question in general. A letter written by Mr. Williams to Mr. Delano under date of June 6th in reply to a communication from the latter was read. General consideration of methods of protecting creditors of failed banks was engaged in.

Mr. Williams at this point withdrew from the meeting.

A letter from the Federal Reserve Bank of St. Louis re collection charges was referred to Committee No. 1.

A memorandum from Assistant Secretary Adelson re code telegrams was read and the discontinuance of such telegrams except in specific cases as suggested in the memorandum, was authorized.

A memorandum of Counsel re the status of J. V. Padula, was referred to Committee No. 3.

Reports of Committees were acted upon as follows:

No. 1.

Dated June 7th, recommending the appointment of Charles H. Martin as National Bank Examiner at \$3,000 per annum; approved.

Dated June 7th, recommending the institution of a daily gold settlement plan; referred to the Executive Committee with power.

No. 3.

Dated May 29th, recommending changes in stock at Federal Reserve banks as follows:

District No. 4, Applications for surrender of stock:

First National Bank, Bentleyville, Pa.,  
15 shares.

District No. 5.

Manchester National Bank, Richmond, Va.,  
98 shares.

Dated June 3d, recommending a plan for the discount of  
cold storage warehouse paper; laid on  
the table.

On motion the Fiscal Agent was directed to issue  
to Miss M. E. Smith of the Board's staff a check for ser-  
vices and accrued leave up to the time of her leaving  
the staff.

The Secretary having recommended that entries  
in the minutes relating to fiduciary powers and changes  
in stock be segregated in a separate minute book with  
proper cross reference in the minute book itself, the  
change was on motion authorized.

On request of Mr. Hamlin a letter from T. P.  
Martin, Jr., re a branch bank in Oklahoma was referred  
to the Kansas City Committee.

An application from the Federal Reserve Bank of  
Philadelphia for power to declare a dividend to June 30,  
1918, was referred to the Philadelphia Committee.

A letter from the Federal Reserve Bank of Atlanta

re a circular recently sent out by Assistant Secretary Leffingwell regarding the deposit of income and excess profits taxes was presented and noted.

Upon recommendation of Mr. Delano on behalf of Committee No. 2 it was voted to modify Condition No. 2, approved by the Board on May 24th in the case of the Peoples Trust & Savings Bank of Perry, Iowa, so that that institution may be admitted on the modified terms determined by the Committee.

It was informally agreed that no further reply to the last letter of Musher & Company previously referred to the Executive Committee need be sent, at least under present conditions.

A letter sent by the Division of Foreign Exchange to Federal Reserve banks re the control of Italian exchange was presented and ordered circulated.

On motion at 12:15 P. M., the meeting adjourned.

APPROVED:

                      
Chairman.

                      
Secretary.