

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Board on July 27, 1918, at 11 A.M.,

PRESENT: Mr. Harding, presiding
Mr. Warburg
Mr. Hamlin
Mr. Willis, Secretary.

Business was presented and disposed of as follows:

A letter from Governor McCord re the use of private wires of the Federal Reserve System was read. It was agreed to say that no change can at present be made in existing practice.

A letter from Governor Wold re use of statements from customers of member banks was read and noted.

A letter from the Federal Reserve Bank of St. Louis, requesting an advance of $\frac{1}{2}$ of 1% on 15 day paper was read and ordered filed pending word from other banks.

An opinion of Counsel published on page 638, July Bulletin, was discussed and it was agreed to say that the ruling refers in practice only to paper secured by Government bonds or some equally unquestionable collateral held to protect the bank.

A letter from Governor Wold re an alleged communication from Counsel of the Board as to pending legislation was read and agreed to say in the Bulletin that the House form of the Phelan Bill is all the Board has asked for, except Federal incorporation of foreign banks and branches of national banks

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in their own cities.

A letter from the Federal Reserve Bank of New York re a plan to finance certain automobile paper for the "Fiat" Co. was read and referred to Committee No. 2.

A memorandum of Counsel re the position of his office under a recent order of the President placing him under the control of the Attorney General was read and letter in accordance therewith was approved with modifications.

A letter from Governor Seay re the eligibility of certain members of his staff for draft was read and it was agreed to certify that the employees are necessary.

It was voted to require bonds of \$100,000 for Assistant Federal Reserve Agents at branch banks.

A letter from Federal Reserve Agent Ramsay re new building accommodations at Dallas was read.

A letter from Federal Reserve Agent Ramsay re the expense of examination of incoming state banks was read and it was agreed that the initial examination expense might be paid by the Reserve Bank.

A letter from Assistant Secretary Leffingwell re an additional rupee credit was read and referred to the Gold Export Committee.

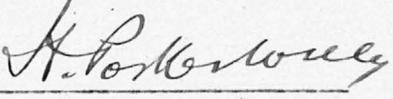
A memorandum from Mr. Hamlin re a form of trade acceptance submitted by the Corn Exchange National Bank of Chicago was read and the memorandum and opinion were approved.

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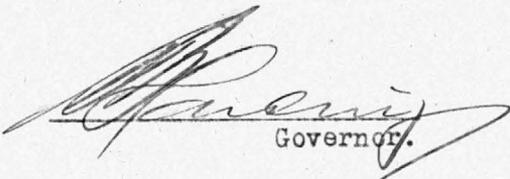
REPORT OF COMMITTEE NO. 2:

Dated July 26th, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

At 12:15 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.