At a regular meeting of the Federal Reserve Board held in the Board Room on October 1, 1918, at 12:30 P.M.,

PRESENT: Mr. Harding, presiding
Mr. Hamlin
Mr. Miller
Mr. Williams
Mr. Broderick, Secretary.

The minutes of the meetings of the Board held on September 12th and 13th were read and, on motion, approved.

The minutes of the meetings of the Executive Committee held on September 17th, 19th, 25th, 27th and 30th were read and approved, and the action therein set forth ratified.

The minutes of the meetings of the Gold Export Committee held on September 13th, 14th, 16th, 17th, 18th, 19th, 20th, 21st, 23rd, 24th, 25th, 26th, 27th, 28th and 30th, and October 1st, were presented and approved, and the action therein set forth ratified.

The minutes of the meetings with the Advisory Council held on September 16th and 17th were presented and referred to Mr. Miller for approval.

Morning business was presented and disposed of as follows:

Telegram dated October 1st, from the Governor of the Federal Reserve Bank at San Francisco, submitting for approval rate of 4½ on paper 16 to 90 days maturity, secured by Treasury certificates of indebtedness, pending Fourth Liberty Loan and until further notice.
Disapproved.

It was voted that a press statement be issued at the beginning of each month, outlining matters of interest discussed in the Federal Reserve Bulletin to be issued during the month.

Referred to Executive Committee with power.

Letter dated September 18th, from the Chief of the Division of Analysis and Research, submitting plan of operation and salaries of staff of that Division.

Voted to approve plan and salaries of employees thus far actually engaged.

A synopsis of responses received so far to Board's letter X-1216, dated September 20, 1918, in re Federal Reserve Banks paying all charges incident to transfers to and from Federal Reserve Banks by member banks of currency and securities pledged or to be pledged for loans, postage, etc.

Voted that the Governor communicate with all Federal Reserve Banks to the effect that until further notice the Board will authorize the payment by Federal Reserve Banks of the expenses incident to such transfers.

The Governor stated that responses had been received from some of the Federal Reserve Agents in answer to the Board's letter of September 19, 1918, requesting that the agents suggest a re-division of the electoral groups for Class "A" and Class "B" directors, pursuant to the provisions of the so-called Phelan Bill.
Referred to the Executive Committee with power upon condition that in the event of disagreement in that Committee the question will be referred back to the Board.

Governor Harding laid before the Board, letter received from Secretary McAdoo suggesting that action be taken as soon as possible with respect to the establishment of Federal Reserve Banks at Oklahoma City, Oklahoma, and Nashville, Tennessee.

Referred to the Executive Committee for consideration and report.

Letter dated September 26th, from the Assistant Director of the Division of Foreign Exchange, New York, transmitting a letter dated September 23d, from Mechanics & Metals National Bank of New York, asking permission to accept 90 day sight drafts to the extent of $500,000 for the purpose of furnishing dollar exchange in Cuba, and requesting that Cuba be designated as one of the countries in which exchange may be drawn for the purpose of creating dollar exchange.

Approved.

Discount rate reports from the Federal Reserve Banks of Philadelphia, Dallas, Minneapolis and Atlanta were presented. No change recommended.

Noted.

Letter dated September 19th, from the Federal Reserve Agent at St. Louis, recommending the approval of salary of $5,000 per annum for Mr. J. M. Davis, Manager of the Little
Rock branch of the Federal Reserve Bank of St. Louis.

Approved.

Voted that Mr. Moorhead Wright, President of the Union Trust Company, Little Rock, Arkansas, and Mr. George Rogers, Vice President of the Bank of Commerce, Little Rock, Arkansas, be and they are hereby appointed Government Directors of the Little Rock Branch of the Federal Reserve Bank of St. Louis.

Voted that Counsel be directed to prepare a revised copy of the Federal Reserve Act and to incorporate all amendments thereto.

Voted that members of the Federal Reserve Board shall be reimbursed by the Board for traveling expenses incurred in meeting engagements to speak in behalf of the Fourth Liberty Loan.

Letter dated September 30th, addressed to the Governor by Mr. Hamlin, in re reserve position of the Federal Reserve Banks.

Ordered circulated.

Letter dated September 28th, addressed to the Governor by Mr. Hamlin, with suggestions of modifications of bill prepared by Counsel for Federal incorporation of banks to engage principally in international and foreign banking.

Ordered circulated.
Letter dated September 23d, from the Federal Reserve Agent at San Francisco, in re absorption by that Bank of expenses of the district committee on capital issues of the Twelfth Federal Reserve District.

Referred to Mr. Hamlin for report.

Telegram dated September 30th, from the Federal Reserve Agent at Kansas City, recommending rate of 4% for paper 16 to 90 days maturity, secured by Fourth Liberty Loan bonds where paper rediscounted has been taken by discounting member banks at a rate not in excess of coupon rate.

Approved.

Telegram dated September 30th, from Governor of the Federal Reserve Bank of Dallas, requesting arrangement for rediscount of $5,000,000 member bank promissory notes secured by Liberty Loan bonds and certificates of indebtedness maturing within fifteen days.

Governor reported that such rediscount had been arranged with the Federal Reserve Bank of Kansas City at a rate of 4%. Approved.

Memorandum of Secretary, dated September 30th, in re securities lost or unaccounted for at the Federal Reserve Bank of Philadelphia.

Referred to the Secretary with power.

Voted that the Governor be authorized to approve
affidavit in support of claim for deferred military classification of A. D. Blake, Telegraph Operator.

(At this point Mr. Miller withdrew from the meeting).

Letter dated September 23d, from the Federal Reserve Agent at Cleveland, requesting authority to release for military service Mr. Edwin Baxter, Secretary and Cashier of the Federal Reserve Bank of Cleveland, and to pay him during the period of his military service, $2,000 per annum.

Referred to Governor for reply.

Voted that the Governor be authorized to direct the attention of Federal Reserve Banks to the fact that pay checks of railroad companies are checks, and must be taken by banks on a parity with all other checks.

The status of Mrs. Pauline Tibbetts was referred to the Executive Committee with power.

Letter dated September 30th, from Mr. R. R. Burklin, tendering his resignation, effective that date, as Private Secretary to the Governor, and Deputy Fiscal Agent of the Board.

Accepted.

Voted that Mr. Walter L. Eddy be appointed as Mr. Burklin's successor in both offices, effective this date, at a salary of $2,750 per annum.

Voted that the Committee on Audit and Examination be
substituted for Mr. Burklin on the joint committee on
Trustee powers.

REPORTS OF COMMITTEE NUMBER 1:

Dated September 30th, (3 reports) recommending changes in
stock at Federal Reserve Banks, as
set forth in the auxiliary minute book
as of this date.

CHANGES IN BOARD'S STAFF:

The following appointments were approved:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Salary</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miss Elsie Montieth</td>
<td>Statistical Clerk</td>
<td>$1,200</td>
<td>Oct.1,1918</td>
</tr>
<tr>
<td>Carlyle Johnson</td>
<td>Messenger</td>
<td>$70 monthly</td>
<td>Oct.1,1918</td>
</tr>
</tbody>
</table>

Division of Foreign Exchange:

Mrs. Grace M. Foote, Asst., Confirmation of Cables Dept. 720 Oct.1,1918
Miss Mabel Ruth Spiller, Asst. in Cataloging, 840 Oct.1,1918
Miss Selma de Muth, Asst. in Cataloging, 900 Oct.1,1918

At 1:30 P.M., the meeting adjourned.

Approved:

Secretary.