

At a meeting of the Executive Committee of the Federal Reserve Board, held in the Board Room on October 17, 1918, at 11:15 A.M.,

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

The minutes of the meeting of the Board held on October 15th were read and on motion approved, subject to approval by an additional member of the Board.

The minutes of the meetings of the Gold Export Committee held on October 16th and 17th were presented and approved, and the action therein set forth ratified.

Morning business was presented and disposed of as follows:

Applications of the following banks to accept drafts and bills drawn on them up to 100% of capital and surplus, under the provisions of Section 13 of the Federal Reserve Act, were approved:

Exchange National Bank, Spokane, Washington;  
Spokane & Eastern Trust Co., Spokane, Wash.;  
First National Bank, Milwaukee, Wis.

Governor Harding presented printer's copy of Comptroller's report of condition of national banks as of August 31, 1918.

Noted.

Letter dated October 14th, from Federal Reserve

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Agent at Chicago, recommending the appointment of Mr. William H. White, at present Examiner for the Federal Reserve Bank of Chicago, as Assistant Federal Reserve Agent in place of Mr. Mark A. Lies, who intends to join the military service.

Voted to approve the appointment and fix bond in the sum of \$50,000 running to the United States.

Letter dated October 14th, from the Director of the Division of Foreign Exchange, requesting authority to lease from the Federal Reserve Bank of New York, or agent, the seventh floor of No. 37 Liberty Street, at \$5,000 per annum, with recommendation of approval by Assistant Secretary Adelson, dated October 15th.

Approved.

Memorandum by Chief Clerk, dated October 16th, in re inoculation of employees against Spanish influenza and pneumonia.

Noted.

Governor Harding reported the purchase on October 16th of a \$1,000,000 two per cent certificate of indebtedness of the United States for deposit with the Comptroller of the Currency, as collateral for Federal Reserve bank notes of the Federal Reserve Bank of Chicago.

Approved.

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## Discount rate sheets of the Federal Reserve Banks

of: Boston  
New York  
Philadelphia  
Cleveland  
Richmond  
Chicago  
St. Louis  
Minneapolis  
San Francisco

No changes recommended.

Noted.

Report by Assistant Secretary Adelson, dated October 16th, with respect to the work of the Division of Foreign Exchange at New York.

Ordered circulated.

Report by Assistant Secretary Adelson, dated October 16th, of visit made by him to the Federal Reserve Bank of Atlanta, and its branches.

Ordered circulated.

Letter dated October 15th, from Reginald W. Beall, offering for sale to the Board the Woodward Building at the corner of 15th and H Streets, N.W., Washington, D.C., with reply by Governor dated October 16th.

Noted.

Opinion of Counsel dated October 17th, in re acceptance credit desired by the International Products Company.

Approved.

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The Secretary submitted synopsis of responses received to the Board's letter of October 2d (X-1237) in re payment by Federal Reserve Banks of expense incident to transfers of currency to and from Federal Reserve Banks.

Noted. Voted that Federal Reserve Banks be requested to report monthly all shipments of currency made pursuant to the terms of the Board's instruction, including deliveries of currency to banks at Federal Reserve points.

The Secretary submitted several letters received from Federal Reserve Agents in response to Board's circular letter No. 1245 of October 5th, in re reserve requirements of banks in outlying districts of central reserve and reserve cities in pursuance of the terms of Section 11(k) of the Federal Reserve Act as amended September 26, 1918.

Letter dated October 9th, from Federal Reserve Agent, Chicago, submitting recommendations as to the Chicago District.

Referred to Mr. Miller for investigation and report.

Letter dated October 11th, from the Federal Reserve Agent at Boston, submitting recommendations as to the Boston District.

Referred to Mr. Hamlin for investigation and report.

Voted that Counsel be instructed to submit formal opinion as to the right of the Federal Reserve Board to

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discriminate as between banks in outlying sections of central reserve and reserve cities, pursuant to the provisions of Section 11(k) of the Federal Reserve Act as amended September 26, 1918.

Voted that Counsel proceed with the preparation of regulations of the Federal Reserve Board, series 1918, such regulations to include regulations covering exercise of trustee power and reserve requirements of banks located in outlying districts of central reserve cities pursuant to the provisions of the Act of September 26, 1918.

REPORTS OF COMMITTEE NO. 1:

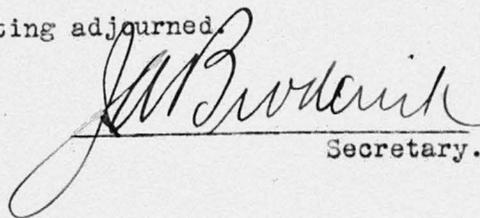
Dated October 7th, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

CHANGES IN STAFF:

Dated October 15th, resignation of Mr. Collins Mason as Stenographer.  
Accepted.

Dated October 17th, recommending increase in salary of Miss Emma C. Hallock, Stenographer in Research Section of Division of Foreign Exchange, New York, from \$1,200 to \$1,380 per annum, effective October 17th.  
Approved.

At 12:40 P.M., the meeting adjourned

  
Secretary.

J.W.

Approved:

  
Governor.