At a meeting of the Federal Reserve Board held in the office of the Board on November 18, 1918, at 2:30 P.M.,

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

The minutes of the meeting of the Board held on November 14th were read and on motion approved as amended.

The minutes of the meeting of the Executive Committee, held on November 15th, were read and on motion approved.

The minutes of the meetings of the Gold Export Committee, held on November 13th, 14th, 15th, 16th and 18th were presented and approved, and the action therein set forth ratified.

Morning business was presented and disposed of as follows:

Governor Harding was authorized to arrange for re-discounts between Federal Reserve Banks at the following rates:

4% - Member bank collateral maturities one to 15 days, secured by government obligations;
4 1/2% - Acceptances all maturities;
4 3/4% - All other paper.

Governor Harding reported that he was advised by Counsel that the legal objections heretofore raised against
the approval by the Board of the credit proposed to be
opened for the International Products Company had been re-
moved, and that the question was again before the Board for
an expression of its policy.

Voted that Counsel be instructed to pre-
pare a letter to the International Products
Company approving the arrangement proposed,
and outlining the conditions under which such
credit shall be consummated.

Mr. Miller requested that he be recorded
as voting in the negative.

Letter of Counsel dated November 15th, with ref-
ference to circular of United States Council of State Bank-
ing Associations.

Voted that Counsel be instructed to pre-
pare and submit to the Board an amendment to
the Federal Reserve Act to permit the Federal
Reserve Board to treat surplus as capital in
passing upon applications for membership re-
ceived from State banks.

Memorandum by Secretary dated November 5th, in re
contracts for the erection of new bank building by the
Federal Reserve Bank of Dallas.

Voted that the Supervising Architect of
the Treasury Department be requested to ex-
press opinion as to the form and substance of
the contracts proposed.

Letter from Governor of the Federal Reserve Bank
of New York, dated November 15th, asking authority to pur-
chase a lot adjoining lot heretofore authorized for purchase
by that Bank for the erection of new bank building.

Approved, subject to approval by Messrs. McAdoo and Williams.

Letter from Counsel dated November 14th, in re time limit on receipt of resolution of board or amendment to by-laws of member banks, authorizing officers to cast votes in election of class "A" and "B" directors.

Voted that a general letter on this subject be addressed to all Federal Reserve Agents.

Letter dated November 12th, from Federal Reserve Agent at Atlanta, requesting authority to establish at Savannah, Georgia, an agency of the Federal Reserve Bank of Atlanta, at a cost of not to exceed $5,000 per annum.

Voted that the establishment of such agency be authorized as proposed, to meet seasonal requirements. Voted further, that Counsel be instructed to prepare and submit to the Board a memorandum outlining the restrictions that should be established in connection with this agency for the handling of Federal Reserve notes at such agency.

Application of the Union Trust Company of Chicago, for permission to accept drafts and bills of exchange up to 100% of its capital and surplus, under the provisions of Section 13.

Approved.

Telegram dated November 16th, from "The West at Work", 
requesting certain information as to national debts.

Secretary to reply by wire.

Governor Harding reported that at a meeting of the Gold Export Committee held on November 14th, the following minute was entered:

"Mr. Miller suggested that, in view of the cessation of hostilities and the important role that the United States could play in promoting speedy re-adjustments of international trade, industry and finance by maintaining a free gold market, in accordance with the Board's policies as expressed at its meeting of July 10, 1917, and in a letter of the Governor of the Board to the Secretary of the Treasury under the same date, the Board should invite the attention of the Secretary of the Treasury to the advisability of modifying the application of the so-called "gold embargo", or Executive Order of September 7, 1917, by lifting the embargo on shipments of gold destined for South American and Central American points, excepting Mexico, at the earliest practicable moment,"

and stated that the Committee had voted to refer the motion to the Board.

Voted that Mr. Miller be requested to submit to the Board a memorandum giving in detail the reasons moving him to suggest the action outlined in his motion.

Governor Harding submitted draft of letter to all Federal Reserve Banks, suggesting that they scrutinize carefully the rediscount transactions of their member banks, in order to eliminate rediscounts for the purpose of unduly expanding the business of member banks in excess of their
legitimate needs at the expense of other member banks.

Approved.

After discussion it was voted that for the remainder of the present calendar year the Executive Committee of the Board shall consist of the Governor, the Vice-Governor and Mr. Miller.

REPORTS OF COMMITTEE NO. 1:

Dated November 18th, 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.

Dated November 15th, recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

CHANGES IN STAFF:

Dated November 14th, recommending appointment of Miss Ida Schuman as Stenographer in the Secretary's office, at $1,320 per annum, effective November 18, 1918. Approved.

Dated November 18th, recommending appointment of Miss Sadie A. Dyer as Stenographer in the office of Counsel, at $1,440 per annum, effective November 22, 1918. Approved.

Dated November 15th, recommending acceptance of resignation of D. M. Hale, Clerk in the Division of Statistics. Approved.
Dated November 14th, recommending the following increases in salaries of National Bank Examiners, effective December 1, 1918:

<table>
<thead>
<tr>
<th>Dist.No.</th>
<th>Name</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chief Examiner Daniel C. Mulloney</td>
<td>$6,000</td>
<td>$6,500</td>
</tr>
<tr>
<td>10</td>
<td>Chief Examiner Horace H. Gaither</td>
<td>6,000</td>
<td>6,500</td>
</tr>
<tr>
<td>11</td>
<td>Chief Examiner Richard H. Collier</td>
<td>6,500</td>
<td>7,000</td>
</tr>
<tr>
<td>5</td>
<td>National Bank Examiner James Trimble</td>
<td>6,000</td>
<td>6,500</td>
</tr>
</tbody>
</table>

Referred to Executive Committee with power.

Dated November 12th, recommending appointment of Mr. J.B. Pike as Deputy Governor of the Federal Reserve Bank of Atlanta, at a salary of $7,500 per annum, effective November 9, 1918.

Approved.

Dated November 15th, recommending appointment of following employees at the Federal Reserve Bank of New York, with salaries of $2,400 per annum, or over:

<table>
<thead>
<tr>
<th>Name</th>
<th>Salary</th>
<th>Date Effective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leslie R. McCrum</td>
<td>$3,000</td>
<td>Oct. 16, 1918</td>
</tr>
<tr>
<td>John Auen</td>
<td>4,000</td>
<td>Oct. 30, 1918</td>
</tr>
<tr>
<td>Ludlow C. Meeks</td>
<td>2,400</td>
<td>Nov. 4, 1918</td>
</tr>
<tr>
<td>Robert H. Roraback</td>
<td>2,400</td>
<td>Nov. 11, 1918</td>
</tr>
</tbody>
</table>

Approved.

Dated November 12th, recommending increases in salaries of officers of the Detroit Branch of the Federal Reserve Bank of Chicago.

Referred to Executive Committee with power.

Dated November 11th, in re salaries for the year 1919, of officers and employees of the Federal Reserve Bank of Dallas, and the El Paso branch.

Referred to Executive Committee with power.

At 4:10 P.M., the meeting adjourned.

Approved:

[Signature]

Secretary.

[Signature]

Governor.