At a meeting of the Executive Committee of the
Federal Reserve Board, held in the office of the Board on
January 8, 1919, at 12 noon,

PRESENT: The Governor
Mr. Hamlin
Mr. Chapman, Assistant Secretary.

Business was presented and disposed of as follows:
The Governor stated that the executive offices in
Washington were being closed at 12 o'clock noon today be-
cause of the funeral of Ex-President Roosevelt.

Voted that all employees who can be
spared be excused for the day at 12 o'clock,
noon.

Opinion of General Counsel dated January 7th, in
re policy of national banks in making loans on improved and
unincumbered farm land when engaging in trust business.

Approved.

Memorandum by General Counsel dated December 28th,
recommending reorganization of the Law Department, with
favorable report by the Chairman of the Law Committee.

Tabled for Board meeting on Friday,
January 10th.

Letter dated January 4th, from J. H. Fulton, Executive
Manager, National City Bank of New York, requesting a ruling
on the question of whether or not a member bank may accept
for its clients in domestic transactions without security of
any kind as long as the aggregate of such acceptances does not exceed ten per cent of its unimpaired capital and surplus, with memorandum by General Counsel dated January 7th.

The Governor to reply.

Memorandum by General Counsel dated January 7th, in reply to inquiry of Merchants' National Bank, Providence, R. I., as to the necessity of a bank making additional application for authority to accept drafts and bills of exchange up to 100% of its paid in capital and surplus upon an increase of its surplus.

Approved.

Letter dated January 6th, from Acting Secretary of State Polk, transmitting copy of communication from the Peruvian Minister dated December 25th, in re details of operation of the plan for the stabilization of exchange between Peru and the United States.

Noted.

The Governor stated that the item of "banking premises" of the several Federal Reserve Banks had recently assumed large proportions, and recommended that the weekly statement of condition of Federal Reserve Banks show such item separately.

Approved.

Telegram dated January 6th, from Federal Reserve
Agent at San Francisco reporting appointments of Directors of the Salt Lake City Branch of that Bank, and stating that he is reliably informed that Mr. Lafayette Hanchett would be an admirable appointee to such directorate by the Federal Reserve Board.

Voted that Mr. Lafayette Hanchett be appointed a Director of the Salt Lake City Branch of the Federal Reserve Bank of San Francisco, for period expiring Dec. 31, 1919.

The Governor reported the purchase of the following special 2% certificates of indebtedness of the United States for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes:

<table>
<thead>
<tr>
<th>For Federal Reserve Bank of:</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlanta</td>
<td>Jan. 6, 1919</td>
<td>$500,000</td>
</tr>
<tr>
<td>Richmond</td>
<td>Jan. 6, 1919</td>
<td>500,000</td>
</tr>
<tr>
<td>Kansas City</td>
<td>Jan. 6, 1919</td>
<td>500,000</td>
</tr>
<tr>
<td>New York</td>
<td>Jan. 7, 1919</td>
<td>1,000,000</td>
</tr>
<tr>
<td>St. Louis</td>
<td>Jan. 7, 1919</td>
<td>500,000</td>
</tr>
</tbody>
</table>

Approved.

The Governor reported the following rediscount transactions pursuant to authority heretofore vested in him:

January 3d, by Federal Reserve Bank of Chicago, for Federal Reserve Bank of Dallas, $5,000,000 member bank collateral notes secured by Government obligations maturing within 15 days, at 4%.

January 3d, by Federal Reserve Bank of Minneapolis for Federal Reserve Bank of Philadelphia, $6,000,000 member bank collateral
notes secured by Government obligations maturing within 15 days, at 4%.

January 3d, by Federal Reserve Bank of Kansas City for Federal Reserve Bank of Boston, $5,000,000 bankers' acceptances.

January 4th, by Federal Reserve Bank of Chicago for Federal Reserve Bank of Atlanta, $5,000,000 member bank collateral notes secured by Government obligations maturing within 15 days, at 4%.

January 6th, by Federal Reserve Bank of Chicago for Federal Reserve Bank of Atlanta, $5,000,000 member bank collateral notes secured by Government obligations maturing within 15 days, at 4%.

January 6th, by Federal Reserve Bank of Minneapolis for Federal Reserve Bank of Dallas, $5,000,000 member bank collateral notes secured by Government obligations maturing within 15 days, at 4%.

Noted.

Letter dated December 31st, of Assistant Federal Reserve Agent at Philadelphia, requesting permission to charge to miscellaneous expenses of that Bank, certain expenses of the District Capital Issues Committee.

Approved.

Memorandum by General Counsel dated January 7th, in re advisability of considering applications for fiduciary powers in advance of promulgation of regulations.

Approved.

Letter dated January 4th, from W. R. Clay, Savings
Division, War Loan Organization, asking that the Board sub-lease to it, rooms in the Metropolitan Bank Building heretofore under sub-lease to the Capital Issues Committee.

Referred to the Secretary for report.

Memorandum of Assistant Secretary Chapman dated January 4th, recommending payment by the Board of one-half of the expense in connection with moving the telegraph office in the Treasury Building.

Approved.

Letter of December 31st, from Federal Reserve Agent at San Francisco, containing certain suggestions in connection with the question of discount rates.

Ordered circulated and docketed for meeting on January 15th.

Letter dated December 31st, from Federal Reserve Agent at San Francisco, requesting authority to appoint Messrs. S. W. Taylor and George R. Martin to his staff to undertake work in connection with the membership campaign of that Bank.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated January 8th, recommending admission of State institution as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to the application.

Approved.
Dated January 7th, recommending approval of applications of Joshua S. Raynolds and James G. McNary, to serve at the same time as Directors of the First National Bank, El Paso, Texas, and the First National Bank, East Las Vegas, New Mexico.

Approved.

CHANGES IN STAFF:

Dated January 6th, appointment of W. N. Baldwin as Clerk in the office of Chief Clerk at a salary of $1,440 per annum, effective January 8th, in accordance with authority granted December 30, 1918.

Dated January 4th, recommending that Eugene E. Agger, Research Assistant, Division of Analysis and Research, be granted indefinite leave of absence from January 1, 1919, without pay, and that Frederick W. Jones be appointed vice Mr. Agger at salary of $1,800 per annum, effective at date of entering upon duty.

Approved.

At 1 P.M., the meeting adjourned.

Approved:

Assistant Secretary.

Governor.