

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Board on February 19, 1919, at 11 A. M.,

PRESENT: The Governor
Mr. Miller
Mr. Hamlin
Mr. Broderick, Secretary.

Business was presented and disposed of as follows:

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

| <u>For Federal Reserve Bank</u> | <u>Date</u> | <u>Amount</u> |
|---------------------------------|-------------------|---------------|
| St. Louis, | February 17, 1919 | \$500,000 |
| Cleveland, | February 18, 1919 | 499,000 |
| Richmond, | February 18, 1919 | 76,000 |

Approved.

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

February 17th, purchase by the Federal Reserve Bank of San Francisco from the Federal Reserve Bank of New York of \$5,000,000 bankers' acceptances.

February 17th, rediscount by the Federal Reserve Bank of Chicago for the Federal Reserve Bank of Dallas of \$10,000,000 member bank 15 day collateral notes, secured by government obligations; rate 4%.

February 19th, rediscount by the Federal Reserve Bank of Chicago for the Federal Reserve Bank of Boston, of \$10,000,000 member bank 15 day collateral notes secured by Government obligations; rate 4%.

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Noted.

The Governor submitted for approval draft of letter dated February 17th, addressed to the Secretary of the Federal Reserve Bank of Chicago, in re appropriation for the support of a Federal Reserve club at that bank.

Approved as amended.

The Governor submitted for approval draft of letter dated February 17th, addressed to the Federal Reserve Agent at Cleveland, in re appropriation for the support of a Federal Reserve club at that Bank.

Approved.

Letter dated February 11th from the Federal Reserve Agent at St. Louis, submitting recommendation for increase in the salary of the Cashier of the Memphis Branch of the Federal Reserve Bank of St. Louis from \$3,000 to \$3,600 per annum, effective February 1st, and recommending amendment to the by-laws of that branch to provide for the appointment of an assistant cashier; together with memorandum by the Secretary, dated February 18th, recommending approval.

Approved.

Memorandum by General Counsel dated February 17th, recommending approval of the application of the Fourth & First National Bank, Nashville, Tenn., for permission to act as assignee and receiver.

Approved.

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Memorandum by General Counsel dated February 18th, in re use by Federal Reserve banks of franked envelopes for distributing circulars of the Division of Foreign Exchange.

Referred to the Governor with power.

Letter dated February 18th from the Federal Reserve Agent at New York, in re charges to profit and loss.

Referred to the Secretary for report.

REPORTS OF COMMITTEE NO. 1:

Dated February 19th, 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.

Approved.

Dated February 18th, (4 reports) recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated February 19th, recommending action on applications for fiduciary powers as stated in the auxiliary minute book as of this date.

Approved.

Dated February 18th, recommending approval of application of George Garretson Wade for permission to serve at the same time as director of the Union Commerce National Bank and the Guardian Savings & Trust Company, both of Cleveland, Ohio.

Approved.

Dated February 18th, recommending approval of application of Amasa Stone Mather for permission to serve at the same time as director of the Union Commerce National Bank and the Cleveland Trust Company, both of Cleveland, Ohio.

Approved.

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Dated February 18th, recommending approval of application of L. C. Hanna for permission to serve at the same time as director of the Union Commerce National Bank and the Guardian Savings & Trust Company, both of Cleveland, Ohio.
Approved.

Letter dated February 18th from the Federal Reserve Agent at New York, recommending approval of the application of W. Averill Harriman for permission to serve at the same time as director of the Fourth Street National Bank, Philadelphia, Pa., the Harriman National Bank, New York, and the Guaranty Trust Company, New York.

Approved.

A discussion was then had as to the wisdom of reviewing the situation with respect to the enforcement of the provisions of the Kern Amendment of the Clayton Act, with a view to giving reconsideration to applications heretofore granted under conditions which have subsequently changed.

Voted that applications granted under the provisions of the Kern Amendment of the Clayton Act be reconsidered June 2d.

Dated February 14th, recommending approval of salary of \$2,400 per annum for Mr. Orvill A. Griffey as National Bank Examiner, Tenth Federal Reserve District.
Approved.

Dated February 14th, recommending approval of salary of \$2,400 per annum for Mr. Arthur R. Bradley, National Bank Examiner, Tenth Federal Reserve District.
Approved.

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Other business was presented and disposed of as follows:

The Governor stated that he had conferred with Assistant Secretary of the Treasury Leffingwell as to the desirability of holding at Washington at an early date a conference with the Governors of the several Federal Reserve banks.

Voted that call be made for a Conference of Governors of the Federal Reserve Banks, to be held at Washington at 10:30 A.M., on Thursday, May 20th.

Voted further that the Governor and the Secretary prepare and forward to the Governors a list of topics for discussion at such conference.

Telegram dated February 18th from the Federal Reserve Agent at San Francisco, stating that the Federal Reserve Bank of San Francisco is considering the advisability of extending investment service to member banks by offering to sell to them such bankers acceptances as they may desire, and making a slightly lower rate when such acceptances bear the endorsement of the Reserve bank. The Governor submitted for approval draft of telegraphic reply dated February 18th.

Approved as amended.

The Governor reported the reserve positions of the several Federal Reserve banks.

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Memorandum by Statistician dated February 18th, submitting statement of loans and investments of reporting member banks and rediscounts with Federal Reserve banks.

Noted. Voted that effective with the statement of condition of Federal Reserve Banks as of the close of business February 28th, there shall be shown on the individual report of each Federal Reserve bank the item "Contingent liabilities as endorser on bills sold to or rediscounted with other Federal Reserve banks".

Letter dated February 14th from Federal Reserve Agent, St. Louis, submitting for approval assignments of territory to the Little Rock, Louisville and Memphis branches of the Federal Reserve Bank of St. Louis.

Approved.

Memorandum by General Counsel dated February 18th, submitting drafts of letters to the Cashier of the First National Bank of Del Rio, and the Federal Reserve Agent at Dallas, in re claim of the National Bank against the Federal Reserve Bank.

Ordered circulated.

Letter dated February 11th, from Federal Reserve Agent at San Francisco in re dividends of Scandinavian-American Bank of Seattle.

Noted.

Letter dated February 17th from the Chairman of the

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Board, advising of the appointment by him pursuant to the practice of the Board of Mr. A. M. McDermott as clerk in his office at a salary of \$2,400 per annum.

Noted.

Mr. Miller stated that the work of the Division of Statistics had developed in such a manner that it now became desirable that the office of Assistant Statistician at a salary of \$3,000 per annum should be created, and that an incumbent to the office would be recommended to the Board in the near future.

On motion duly seconded, it was voted to approve the creation of the position of Assistant Statistician at a salary of \$3,000 per annum.

After discussion and on motion duly seconded, it was voted that effective March 1, 1919, the salary of Assistant Secretary Chapman be increased from \$4,500 to \$6,000 per annum.

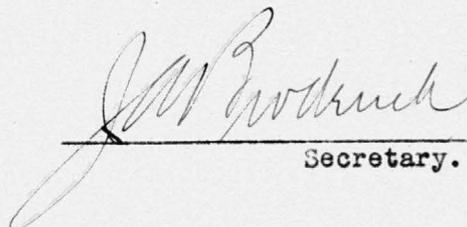
Mr. Miller who, at the meeting of the Board held on January 17, 1919, had been appointed a committee to make recommendation as to the formation of the committee on Federal Reserve bank buildings, stated that after a careful study of the situation, and in view of the large sums of money involved in new Federal Reserve bank building projects, he was of the opinion that generally, bank buildings could be

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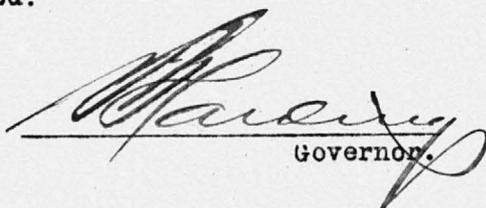
classified in two groups - large and small - and that it would be well to have an interchange of views between Federal Reserve banks as to the character of structures to be erected. Mr. Miller further suggested that it might be advisable for the Board to engage the services of a supervising architect to advise the Board in such matters.

Voted that Mr. Miller be authorized to discuss the question of the appointment of a supervising architect tentatively with Mr. Trowbridge, at present employed as consulting architect by the Federal Reserve Bank of New York.

At 12:45 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.