

At a meeting of the Federal Reserve Board held in the office of the Board on April 2, 1919, at 11:25 A.M.,

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

Morning business was presented and disposed of as follows:

Letter dated April 1st from Mr. Kent, submitting regulation combining and superseding two regulations previously approved by the Board, the new regulation reading as follows:

"Notice is hereby given that 'dealers' as defined under the Executive Order of the President of January twenty-sixth, nineteen eighteen, until otherwise instructed, may make transfers of funds to persons not enemies or allies of enemies resident in Esthonia, Poland and the Austrian Hungarian Monarchy as it existed previous to August first, nineteen fourteen with the exception of Hungary."

Approved.

Letter dated March 31st from the Peruvian Embassy, regarding temporary investment in Treasury certificates of indebtedness of a portion of balances to credit of Junta de Vigilancia at the Federal Reserve Bank of New York, deposited under arrangement between Peru and the United States for the stabilization of exchange.

Referred to the Governor for reference to the Federal Reserve Bank of New York for advice as to their viewpoint.

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

<u>For Federal Reserve Bank of:</u>	<u>Date</u>	<u>Amount</u>
St. Louis,	Mar.31,1919	\$500,000
St. Louis,	April 1, "	1,000,000

Approved.

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

April 1st, for the Federal Reserve Bank of Philadelphia by the Federal Reserve Bank of Cleveland, \$10,000,000 member bank 15 day collateral notes secured by Government obligations; rate 4%.

April 2d, purchase from the Federal Reserve Bank of Boston by the Federal Reserve Bank of New York of \$10,000,000 endorsed bankers' acceptances maturing 16 to 30 days; rate 4%.

April 3d, for the Federal Reserve Bank of Richmond by the Federal Reserve Banks of Cleveland and Chicago, \$5,000,000 each (total \$10,000,000) member bank 11 to 15 day collateral notes secured by Government obligations; rate 4%.

Approved.

Telegram dated April 1st from the Federal Reserve Agent at San Francisco, requesting approval of the tem-

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porary appointment of Mr. Edward Elliott as Assistant Federal Reserve Agent during the contemplated absence of Mr. Perrin.

Approved.

Letter dated March 26th from the Federal Reserve Agent at San Francisco, in regard to the policy of the Board in re requirements for agricultural and live stock paper.

Referred to the Governor for reply.

Memorandum dated April 1st from General Counsel, in regard to trust powers of National banks, based upon a letter dated March 27th from Federal Reserve Agent Heath, Chicago.

Approved and referred back to General Counsel for opinion as to whether or not paper eligible for rediscount with Federal Reserve banks might be considered as "other securities owned by the bank equal in market value to the amount of funds so deposited".

(At this point Mr. Williams joined the meeting).

Telegram dated April 1st from the Federal Reserve Agent at San Francisco, with further reference to the employment of Mr. Edward Elliott as special representative of the Federal Reserve Bank of San Francisco in connection with State bank membership campaign.

Voted to approve the appointment of

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Mr. Elliott at a salary of \$10,000 per annum for one year from the date of his leave of absence from the University of California, the matter of his resignation as Director of the Federal Reserve Bank of San Francisco to be held in abeyance for the present.

Mr. Williams and Mr. Miller voted "Aye", in view of the fact that the Board retains the right to act upon the question of continuing Mr. Elliott as Class "C" director.

The minutes of the meeting of the Board held on March 31st were read, and on motion approved.

The minutes of the meetings of the Gold Export Committee held on March 31st, April 1st and 2d were presented and approved, and the action therein set forth ratified.

Letter dated February 24th from the Federal Reserve Agent at Dallas, in re charge against reserve account of the First National Bank of Del Rio, Texas.

Referred to the Secretary for procurement of opinion from the Counsel of the Federal Reserve Bank of Dallas.

Draft of letter addressed by the Governor under date of April 2d, to the Federal Reserve Agent at Dallas, in re collection items in the City of Dallas.

Referred to the Governor for consultation with General Counsel as to legal questions involved, and for report at the meeting of the Board to be held on Friday, April 4th.

REPORTS OF COMMITTEE NO. 1:

Dated April 2d, recommending admission of State institutions as set forth in the auxiliary minute

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book as of this date, subject to the conditions stated in the individual reports attached to each application.

Approved.

Dated April 1st, (3 reports) recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated April 1st, recommending action on applications for fiduciary powers as stated in the auxiliary minute book as of this date.

Approved.

Dated March 31st, recommending approval of the application of Mr. George H. Wilson for permission to serve at the same time as director and vice president of the Fort Dearborn National Bank and the Woodlawn Trust & Savings Bank, both of Chicago.

Approved.

Letter dated March 31st from the Comptroller of the Currency, requesting approval of a salary of \$2,400 per annum for Mr. John C. Peightel as National Bank Examiner in the Fourth Federal Reserve District.

Approved.

Draft of circular letter dated March 7th, in re rediscount of paper secured by Government obligations, as affected by Section 3 of the Act approved March 3, 1919, amending Section 11 of the Federal Reserve Act.

Approved with changes suggested by General Counsel, and ordered released on April 14th, the letter to be published in the Federal Reserve Bulletin.

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Opinion of General Counsel dated March 17th, on the subject of acceptances - release of security up to 10% limit.

Approved and ordered published in the Bulletin as an opinion of General Counsel.

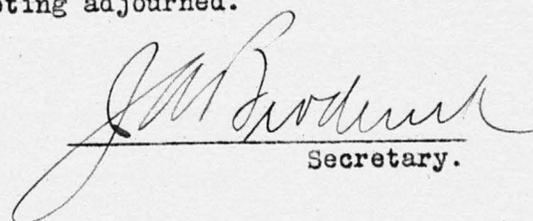
Opinion of General Counsel dated March 17th, with reference to the construction of Section 11 (k) of the Federal Reserve Act as amended September 26, 1918.

Approved and ordered published in the Federal Reserve Bulletin after reference to General Counsel for preparation in proper form.

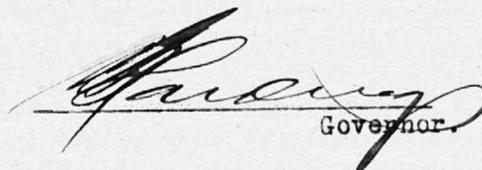
Abstract of recommendations made by Governors at Conference with the Federal Reserve Board March 20th, 21st and 22d.

Ordered circulated.

At 12:55 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.