

At a meeting of the Federal Reserve Board held in the office of the Board on Monday, May 12, 1919, at 11 A.M.,

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

The minutes of the meetings of the Board held on May 7th and 8th were read and on motion approved.

The minutes of the meetings of the Gold Export Committee held on May 8th, 9th, 10th and 12th were presented and approved, and the action therein set forth ratified.

Morning business was presented and disposed of as follows:

The Governor reported the purchase on May 8th of special 2% certificate of indebtedness of the United States for \$100,000 for the Federal Reserve Bank of Richmond, for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes.

Approved.

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

May 7th, for the Federal Reserve Bank of Philadelphia by the Federal Reserve Bank of Chicago, \$5,000,000 member bank promissory notes secured by Government obligations maturing within 15 days; rate 4% on paper secured by certificates of indebtedness and 4 $\frac{1}{2}$ % on paper secured by Liberty bonds or Victory notes.

-2-

May 8th, for Federal Reserve Bank of Richmond by Federal Reserve Bank of Chicago, \$5,000,000 member bank promissory notes secured by Government obligations maturing 11 to 15 days; rate 4% on paper secured by certificates of indebtedness and  $4\frac{1}{4}\%$  on paper secured by Liberty bonds or Victory notes.

May 9th, for Federal Reserve Bank of Dallas by Federal Reserve Bank of Chicago, \$4,000,000 member bank promissory notes secured by Government obligations maturing within 15 days; rate 4% on paper secured by certificates of indebtedness and  $4\frac{1}{4}\%$  on paper secured by Liberty bonds or Victory notes.

May 9th, for Federal Reserve Bank of Philadelphia by Federal Reserve Bank of Chicago, \$10,000,000 member bank promissory notes secured by Government obligations maturing within 15 days; rate 4% on paper secured by certificates of indebtedness and  $4\frac{1}{4}\%$  on paper secured by Liberty bonds or Victory notes.

May 12th, for Federal Reserve Bank of Richmond by Federal Reserve Bank of Minneapolis, \$10,000,000 member bank promissory notes secured by Government obligations maturing 11 to 15 days; rate 4% on paper secured by certificates of indebtedness and  $4\frac{1}{4}\%$  on paper secured by Liberty bonds or Victory notes.

May 7th, for Federal Reserve Bank of Dallas by Federal Reserve Bank of Chicago, \$2,500,000 member bank promissory notes secured by Government obligations maturing within 15 days; rate 4% on paper secured by certificates of indebtedness and  $4\frac{1}{4}\%$  on paper secured by Liberty bonds or Victory notes.

Noted.

Letter dated May 9th from the Director of the Division of Foreign Exchange, in re collection of statistics by that division.

-3-

Tabled for the next meeting of the Board.

Report by Consulting Architect dated May 7th, in re building plans of the Federal Reserve Bank of Richmond. The Chairman of the Executive Committee submitted for approval report dated May 12th, recommending that the officers of the Federal Reserve Bank of Richmond be authorized to proceed with the construction, on the understanding that the cost of the building, exclusive of movable furniture and equipment, will be approximately \$1,000,000.

Tabled for next meeting of the Board.

Letter dated May 9th from the Chairman of the Federal Reserve Bank of Philadelphia, in re assessment of charge for examination of the American Bank of Commerce, Scranton, Pa.

Voted to approve assessment of actual expenses incurred by Federal Reserve bank in examination.

Letter dated May 8th from the Chairman of the Federal Reserve Bank of St. Louis, submitting recommendation of the Board of Directors of that Bank for the payment of \$1,000 per annum to the member of the Federal Advisory Council for the Eighth Federal Reserve District, such payment to be in lieu of all other fees and allowances for expenses in attending meetings.

Approved.

-4-

Letter dated May 8th from the Chairman of the Federal Reserve Bank of St. Louis, submitting for approval resolution of the Board of Directors of that Bank, authorizing the purchase for \$150,000 of the property formerly occupied by the National Bank of Commerce, for use of the Louisville Branch of the Federal Reserve Bank of St. Louis.

Approved.

Letter dated May 3d from the Chairman of the Federal Reserve Bank of San Francisco, in re suggested transfer of territory from the Ninth to the Twelfth Federal Reserve District.

Noted.

The Governor stated that the Federal Reserve Bank of Philadelphia desired to expend \$2,000 in the erection of a reviewing stand in front of its bank building, from which officers and employees might witness parade of home-coming troops.

Voted to disapprove.

Letter dated May 7th from the Chairman of the Federal Reserve Bank of Dallas, advising of an error in the statement of rental to be paid for quarters for the Houston Branch of that Bank.

Voted to approve the figures as amended.

Letter dated May 3d from Jafet Lindeberg in re re-

-5-

lations with the Scandinavian American Bank, Seattle, Washington.

Referred to the Secretary for report.

Letters dated May 7th from the Chairman of the Federal Reserve Bank of Dallas, advising of the following appointments, subject to the approval of the Federal Reserve Board:

C. B. Teagarden, Assistant General Auditor at Dallas, salary \$3,000 per annum.  
Sam R. Lawder, Director and Manager, Houston Branch, \$6,000 per annum.  
E. F. Gosset, Cashier, Houston Branch, \$3,600 per annum.  
Paul S. Miller, Assistant Federal Reserve Agent, Houston Branch, \$3,000 per annum.  
R. R. Gilbert, Director and Manager, El Paso Branch, \$5,000 per annum.  
J. H. Ninedorf, Assistant Federal Reserve Agent, El Paso Branch, \$2,500 per annum.

Approved.

Memorandum by the Secretary dated May 8th, suggesting the closing of books of Federal Reserve banks on June 30, 1919.

Tabled for the next meeting of the Board.

Letter dated May 8th from the Chairman of the Federal Reserve Bank of Chicago, suggesting that the Governor address a letter to Mr. George M. Reynolds, to obtain his cooperation in securing additional State bank members.

voted that the Governor be authorized to direct such a letter to Mr. Reynolds.

Letter dated May 7th from the Vice-President of the

-6-

South Texas Commercial National Bank, Houston, Texas, making inquiry as to eligibility for rediscount of acceptances by cotton factors.

Referred to the Governor for report.

Letter dated May 10th from the Chairman of the Federal Reserve Bank of Atlanta, in re proposed substitution of new for old United States currency in Cuba.

Referred to the Governor for reply.

Mr. Hamlin reported that, pursuant to authority vested in him at the meeting of the Board on April 28th, he had visited New Orleans and had informed the Directors of the Federal Reserve Bank of Atlanta that the Federal Reserve Board approved the expenditure of \$236,250 in the acquisition of suitable quarters for the New Orleans Branch of the Federal Reserve Bank of Atlanta.

REPORTS OF COMMITTEE NO. 1:

Dated May 12th, 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 May 8th, recommending approval of application of Henry B. Quinby for permission to serve at the same time with the Sherman National Bank, New York City; the Laconia National Bank, and the City Savings Bank, both of Laconia, New Hampshire.

Approved.

-7-

Dated May 12th, recommending action on applications for fiduciary powers as set forth in the auxiliary minute book as of this date.

Approved.

Dated May 9th, submitting resignation of Miss L. A. McGrath as Stenographer in the office of Mr. Strauss, effective May 19, 1919.

Approved.

Other business was presented and disposed of as follows:

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

Letter dated May 5th from the Governor of the Federal Reserve Bank of Minneapolis, in re Bank of North Dakota.

Noted.

Letter dated May 5th from the Chairman of the Federal Reserve Bank of Kansas City, in re establishment of a branch of that Bank in the State of Oklahoma.

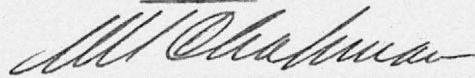
Referred to the Governor for reply.

Letter dated May 3d from the Acting Secretary of State, regarding the functions of the Economic Liaison Committee.

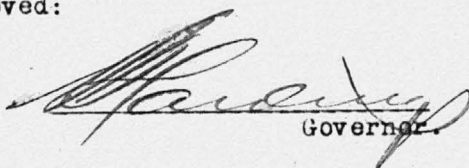
voted to approve, and to advise the Board's representative, Mr. Jacobson, accordingly.

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

Approved:



Assistant Secretary.



Governor.