

At a meeting of the Federal Reserve Board held in the office of the Board on Tuesday, June 17, 1919, at 11 A.M.,

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

Mr. Hamlin stated that with the approval of the Board, the Irving National Bank of New York had acquired in the Far East certain Russian roubles which, by reason of subsequent ruling of the Board, the Bank could not at present bring into the United States, and asked special permission to do so.

Referred to Executive Committee with power.

Morning business was presented and disposed of as follows:

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him: member bank promissory notes secured by Government obligations; rate 4% on paper secured by certificates of indebtedness and 4 $\frac{1}{2}$ % on paper secured by Liberty bonds or Victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 12th	Dallas	Chicago	\$2,500,000	15 days
"	Philadelphia	Chicago	5,000,000	11-15 days
June 13th	Richmond....	(Minneapolis (Cleveland	5,000,000 5,000,000	11-15 days
June 11th	Dallas	Chicago	2,500,000	15 days

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<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 13th	Philadelphia.....	(St. Louis (Minneapolis)	\$8,000,000 4,000,000	11-15 days
June 13th	Dallas	Chicago	3,500,000	15 days
June 16th	Richmond.....	(Chicago (Minneapolis)	10,000,000 5,000,000	11-15 days
June 14th	Philadelphia	Chicago	8,000,000	15 days
June 14th	Dallas	Chicago	4,000,000	15 days
June 16th	Philadelphia.....	(Cleveland (Chicago)	5,000,000 5,000,000	11-15 days
June 16th	Dallas	Chicago	7,000,000	15 days

Noted.

Memorandum by Secretary dated June 17th, submitting for approval letter to foreign and international banking corporations doing business under agreements with the Federal Reserve Board, transmitting form for reports of condition as of close of business June 30, 1919.

Approved.

Letter dated June 11th from the Chairman, Federal Reserve Bank of Cleveland, advising of proceedings at the annual convention of the National Association of State Bank Supervisors.

Noted.

Memorandum by Supply Agent, requesting authority to sell to the Federal Reserve Bank of New York at \$926 a miscellaneous assortment of desks, tables, chairs, typewriter chairs, letter trays, waste baskets, mail pouches, etc. now in the

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possession of the Division of Foreign Exchange, 15 Wall Street.

Approved.

Report of American Ambassador at Paris dated May 24th,  
in re general conditions.

Ordered circulated.

Memorandum by Mr. Smead dated June 11th, submitting  
for approval revised form 105 (report of condition of State  
bank and trust company members), together with draft of explan-  
atory letter of transmittal to such members.

Approved.

Memorandum by Mr. Smead, dated June 11th, recommending  
method of treating in accounts, \$10 Liberty Loan participation  
certificates issued by Federal Reserve Bank of New York.

Approved.

Memorandum by Mr. Jacobson dated June 12th, submitting  
tabular statements bearing upon the reserve position of member  
banks as affected by the act of June 21, 1917, and by the  
establishment of Federal Reserve branches in certain cities.

Ordered circulated.

Memorandum by Assistant Secretary dated June 16th, sub-  
mitting for approval form of assignment covering room 710,  
National Metropolitan Bank Building, to be released by the  
Capital Issues Committee July 1, 1919.

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Approved.

Letter dated June 9th from the Governor of the Federal Reserve Bank of Kansas City, advising that that Bank is asking for bids from wrecking companies to sell the material in the building standing on the lot recently purchased by the Bank.

Referred to Governor for reply.

Letter dated June 11th from Chairman of the Federal Reserve Bank of Kansas City, giving the reasons of that Bank for not abolishing at this time the special rate of 4% on paper secured by Fourth Liberty Loan bonds.

Noted.

Letter dated June 12th from the Governor of the Federal Reserve Bank of New York, advising the plan of that Bank to conduct a competition for the selection of an architect in connection with its proposed new bank building.

Referred to the Governor for reply with instructions to furnish a copy of such reply to the Chairmen of all Federal Reserve Banks.

Memorandum by Secretary dated June 13th, recommending procedure to be taken in connection with the examination and surrender of stock in connection with the consolidation of the American National Bank, the American Trust Company and the Bank of Commerce, Little Rock, Arkansas.

Approved.

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Memorandum by Secretary dated June 17th recommending approval of the application of the Merchants National Bank of Worcester, Massachusetts, to invest \$60,000 in 500 shares of the capital stock of the Shawmut Corporation of Boston at \$120 per share.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated June 17th, 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 June 12th (2 reports) recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated June 17th, recommending action on applications for fiduciary powers as set forth in the auxiliary minute book as of this date.

Approved.

Dated June 16th, recommending disapproval of application of Mr. Edward Mahar to serve at the same time as director of the First National Bank of San Pedro, California, and as director of the State Bank of San Pedro, California.

Disapproved.

Dated June 16th, recommending approval of application of Cochise County State Bank, Tombstone, Arizona, for permission to establish a branch at Fort Huachuca, Arizona.

Approved.

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Dated June 13th, requesting authority to obtain from other sources than by transfer from Bureau of Engraving and Printing, 20 temporary clerks-counters for Federal Reserve Issue and Redemption Division as previously authorized.  
Approved.

Dated June 14th, requesting approval of appointment of Mr. John T. Sawyer as National Bank Examiner in the 7th Federal Reserve District at a salary of \$3,600 per annum.  
Approved.

(At this point Mr. Williams joined the meeting)

Dated June 11th, recommending increases in salaries of employees of the Federal Reserve Bank of Dallas as follows:

	<u>From</u>	<u>To</u>	
Miss Kathleen Cox,	\$80	\$100	per month
W. H. Holloway,	125	150	"
R. L. King,	150	175	"
Clyde Morris,	35	50	"

Approved.

Dated June 13th, recommending approval of appointment of Mr. Harry N. Baxendale as Acting Assistant Federal Reserve Agent at the Detroit Branch, Federal Reserve Bank of Chicago.

Approved.

Mr. Hamlin submitted tentative draft of report of the committee of which he is Chairman, dealing with the question of the future of the sub-treasury system.

Voted that the Governor be authorized to submit such memorandum confidentially to the Federal Reserve Banks for their criticism or suggestions.

At this point the Chairman of the Board joined the meeting, and a discussion was had of the steps to be taken by

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the Board with a view to informing itself as to the methods to be pursued in furnishing financial facilities to Europe.

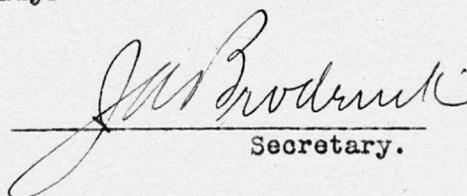
(At this point the Chairman and Mr. Williams withdrew from the meeting, and the meeting was joined by Mr. Trowbridge, the Board's Consulting Architect, and Governor Van Zandt of the Federal Reserve Bank of Dallas).

Mr. Trowbridge presented his report on the plans submitted for the erection of a new building by the Federal Reserve Bank of Dallas.

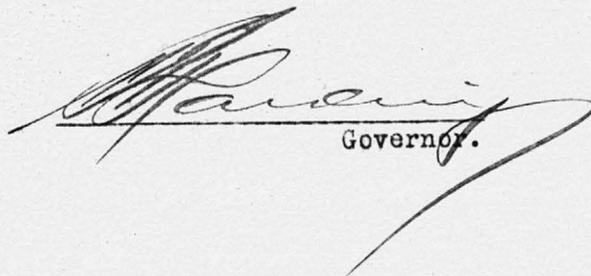
On motion duly seconded it was voted that the Federal Reserve Bank of Dallas be authorized to accept the bid of the George A. Fuller Company in the amount of \$1,035,714. to cover all work in connection with the construction of the new building except vault linings.

Voted that the Consulting Architect submit at an early date his recommendation as to the character of lining to be used in the vaults of the Dallas Bank.

At 1:35 P.M., the meeting adjourned.

  
Secretary.

Approved:

  
Governor.