

At a meeting of the Executive Committee of the Federal Reserve Board, held in the office of the Board on Tuesday, September 30, 1919, at 11 A.M.,

PRESENT: The Vice-Governor
Mr. Miller
Mr. Hamlin
Mr. Chapman, Secretary.

Business was presented and disposed of as follows:

The Vice-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 of:</u>	<u>Date</u>	<u>Amount</u>
Richmond,	Sept.19th	\$200,000
New York,	Sept.20th	500,000
Chicago,	Sept.24th	1,000,000

Approved.

The Vice-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 $\frac{1}{4}$ % on paper secured by Liberty bonds and Victory notes, as follows:

<u>Date</u>	<u>Bank Rediscounting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept.22d	Richmond	Minneapolis	\$5,000,000	11-15 days
"	Dallas	Chicago	4,000,000	"
"	Atlanta	Chicago	5,000,000	"
Sept.24th	Dallas	Chicago	4,000,000	"
"	Richmond....	(Chicago)	5,000,000	"
		(Minneapolis)	5,000,000	"
Sept.25th	Dallas	Chicago	4,000,000	"

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<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept. 25th	Philadelphia	Chicago	\$7,000,000	11-15 days
"	Richmond	Chicago	5,000,000	"
"	Richmond	Chicago	5,000,000	"
Sept. 26th	Dallas	Chicago	3,000,000	"
Sept. 29th	Philadelphia	Chicago	10,000,000	"
"	Atlanta	Chicago	2,500,000	"
Sept. 27th	Atlanta	Minneapolis	2,500,000	"

Noted.

The Vice-Governor reported the reserve positions of the several Federal Reserve banks as at close of business September 27th, and the status of rediscounts between Federal Reserve banks as of the same date.

Application of the following banks for authority to accept drafts and bills of exchange up to 100% of their capital and surplus, under the provisions of Section 13 of the Federal Reserve Act:

Henderson National Bank, Huntsville, Ala.
 Citizens Trust Company, Savannah, Ga.
 Canal-Commercial Trust & Savings Bank,
 New Orleans, La.

Approved.

Correspondence in re eligibility for rediscount by Federal Reserve banks of cotton factors' paper, together with letter from the Chairman, Federal Reserve Bank of St. Louis, dated September 23d, submitting financial statement of cotton factors.

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Ordered circulated and docketed for the meeting to be held on Thursday, October 2, 1919.

Letter dated September 23d from the President of the Continental Trust Company, Pittsburgh, Pa., and reply by the Governor dated September 25th, in re clearing facilities of State member banks at Pittsburgh.

Ordered circulated.

Letter dated September 24th from Arthur Berenson of Boston, suggesting modification of the Edge Bill.

Ordered circulated and docketed for the meeting to be held on Thursday, October 2, 1919.

The Secretary reported that Mr. Hamlin's term of office as a member of the Executive Committee of the Board would expire today.

Voted that Mr. A. C. Miller be appointed a member of the Executive Committee of the Board to serve until December 31, 1919.

The following reports were submitted:

Dated September 30th, 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 September 30th, recommending approval of the application of the Merrill Trust Company, Bangor, Maine, to establish a branch at Dexter, Maine.
Approved.

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Dated September 26th, recommending changes in stock at Federal Reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

Dated September 24th, recommending that Mr. Armitt Coate be appointed by the Federal Reserve Bank of Philadelphia, to assist in connection with State bank membership work in that District.

Approved.

Dated September 22d, requesting approval of increase in salary from \$3,000 to \$3,300 per annum of Mr. Reginald M. Hodgson as National Bank Examiner in the 6th Federal Reserve District, effective October 1, 1919.

Approved.

Dated September 25th, requesting approval of increase in salaries from \$1,020 to \$1,140 per annum of each of following employees in the Federal Reserve Division of Issue and Redemption: effective October 1, 1919:

Julia D. Murphy
Ruthette M. Penn
Hallie L. Tharp
Alys E. Gott
S. Louisa Mason
Emily S. Waters
Rosina Mordecai

Approved.

Dated September 25th, advising of increase in salaries from \$900 to \$1,020 per annum of each of following employees in the Federal Reserve Division of Issue and Redemption, effective October 1, 1919, in accordance with previous approval:

Pauline C. Fred
Clara M. Reddington
Otis M. Hester

Noted.

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Dated Sept. 25th, advising of the resignation of Mr. J.E. Bizzell as Assistant Federal Reserve Examiner on the Eastern force.
Noted.

Dated Sept. 26th, recommending payment of additional compensation covering 11 days to Miss Pearl Crawley, Clerk-Counter in the Division of Issue and Redemption, absent by reason of illness.
Approved.

Dated Sept. 26th, recommending approval of appointment of Mrs. Anna B. Sloane as Translator in the Division of Reports and Statistics, effective September 29, 1919, at \$1,500 per annum.
Approved.

Dated Sept. 30th, recommending approval of application of Irving W. Cook to serve at the same time as a director of the First National Bank of Provincetown, Mass, and as director and President of the First National Bank, New Bedford, Mass.
Approved.

Dated Sept. 30th, recommending approval of applications of Arthur Iselin and Ridley Watts to serve at the same time as directors of the Chemical National Bank of New York City and the Industrial Bank of New York.
Approved.

Dated Sept. 30th, recommending approval of application of Frederic A. Juilliard to serve at the same time as a director of the Chemical National Bank, the Guaranty Trust Company, and the Industrial Bank of New York.
Approved.

Dated Sept. 30th, recommending approval of application of Darwin P. Kingsley to serve at the same time as a director of the Citizens National Bank of New York City, the New York City Trust Co., and the Industrial Bank of New York.
Approved.

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Dated Sept. 30th, recommending approval of application of Everett B. Sweezy to serve at the same time as Vice President of the First National Bank of New York City, and as director of the Industrial Bank of New York.

Approved.

Other business was presented and disposed of as follows:

Memorandum by General Counsel dated September 29th, giving adverse opinion upon request of the Federal Reserve Bank of Boston that it be permitted to subscribe \$10,000 to a fund for "Defenders of Public Safety".

Referred to Mr. Hamlin for report.

Letter dated September 26th from Secretary of the Federal Reserve Bank of Chicago, submitting vote of the Board of Directors of that Bank, providing for the payment of extra compensation to officers and employees of that Bank, including the Federal Reserve Agent's Department, as of October 1, 1919, on the following basis:

Annual salary \$1,500 or less: - 20% of total salary received during current year to Oct. 1, 1919;
Annual salary over \$1,500 and not more than \$3,000:-
15% of total salary received during current year to October 1, 1919;
Annual salary over \$3,000 and not more than \$5,000:-
10% of total salary received during current year to Oct. 1, 1919;
Minimum payment in one class not to be less than the maximum in the next lower class.

Approved.

Letter dated September 26th from the Chairman of the

Federal Reserve Bank of Atlanta, advising of action of the Directors of the Nashville Branch of that Bank in electing the Manager thereof, and an Assistant Federal Reserve Agent at Nashville.

Referred to the Governor with power.

Letter dated September 26th from the Secretary, Federal Reserve Bank of Chicago, submitting for approval, resolution of the Directors of that Bank, to expend \$700,000 in the acquisition of fifty feet of land adjoining the site heretofore acquired by that Bank.

Tabled for the meeting to be held on Thursday, October 2, 1919.

Telegram dated September 29th from the Oklahoma City Clearing House Association, expressing the belief that the banks of Oklahoma are entitled to have the Federal Reserve Bank Directors at Kansas City explain the discrimination against Oklahoma City in favor of other cities in which Federal Reserve branches have heretofore been established.

Referred to the Governor for reply.

Telegram dated September 29th from the Oklahoma City Clearing House Association, quoting telegram addressed by that Association to the Federal Reserve Bank of Kansas City, protesting against increased charges imposed by that Bank on bank

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transfers, and the increase of the time allowance between Kansas City and New York from two to three days.

Referred to the Governor for reply.

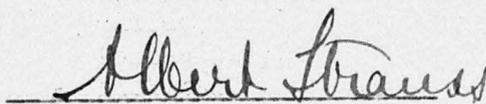
Memorandum by Statistician dated September 18th, submitting an analysis of the open market rate and Federal Reserve Bank discount rate for ninety day paper in New York, 1914-1919.

Ordered circulated.

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


Secretary.

Approved:


Vice-Governor.