

At a meeting of the Federal Reserve Board held in the office of the Board on Thursday, October 2, 1919, at 3-15 P.M.,

PRESENT: The Governor
Mr. Strauss
Mr. Miller
Mr. Hamlin
Mr. Chapman, Secretary.

Minutes of the meetings of the Federal Reserve Board held on September 4th, 15th, 16th, 19th, 23d and 26th were read, and on motion approved.

Minutes of the meetings of the Executive Committee held on September 8th, 9th, 11th, 30th and October 1st were read, and on motion approved.

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 of:</u>	<u>Date</u>	<u>Amount</u>
Philadelphia	Oct. 1st	\$1,000,000
Chicago	"	2,000,000

Approved.

The Governor reported rediscount transaction, 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

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paper secured by Liberty bonds and victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Oct.1st	Philadelphia	Chicago	\$4,000,000	11-15 days

Noted.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business September 30th, and the status of rediscounts between Federal Reserve banks as of the same date.

Reports of discount rates at various Federal Reserve banks; no changes recommended.

Noted.

Letter dated September 26th from the Secretary of the Federal Reserve Bank of Chicago in re purchase of additional real estate by that Bank.

Referred to the Governor for reply, suggesting that the Consulting Architect go over the situation with the Bank's officers.

Report of examination of the Federal Reserve Bank of Philadelphia as of close of business August 30, 1919.

Referred to Mr. Strauss for report.

Letter dated September 30th from the Chairman of the Federal Reserve Bank of New York in re method of securing stock subscriptions to the Midland Trust and Savings Bank

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of St. Paul, Minnesota.

Referred to the Governor for reply.

Letter dated September 29th from the Chairman, Federal Reserve Bank of New York, in re refusal of the Department of Labor to admit into the United States an employee of the Standard Bank of South Africa, Ltd.

Referred to the Governor with power.

Letter dated September 29th from the Chairman of the Federal Reserve Bank of Minneapolis, submitting data with respect to the operations of the Bank of North Dakota.

Ordered circulated.

The Governor stated that he was in receipt of an invitation to address the Canadian Club of Toronto, Canada, on the Federal Reserve System.

Voted that the Governor be authorized to accept such invitation at the expense of the Board.

Letter dated September 29th from the General Counsel of the Federal Reserve Bank of Atlanta, submitting a copy of the uniform reserve act adopted by the Alabama Legislature.

Referred to General Counsel.

Letter dated September 23d from the Chairman, Federal Reserve Bank of St. Louis, in re eligibility for rediscount of paper drawn by cotton factors.

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Referred to the governor for reply that the character of the paper and not the character of the maker should be the factor determining the eligibility of so-called cotton factors' paper offered for rediscount, that is, the Board would construe as ineligible, a factor's paper to put him in funds to finance generally his customers, whereas, it would consider as eligible, paper, the proceeds of which, instead of being loaned to a customer by the factor, are used by the factor to purchase goods to be shipped to the customer and which are charged by the factor against the customer's account.

REPORTS OF COMMITTEE NO. 1:

Dated Oct. 2d, recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated Oct. 2d, recommending action on applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.

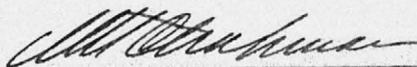
Dated Oct. 2d, recommending appointment of Mr. George E. Good as Assistant Accountant in the Division of Reports and Statistics at \$2,000 per annum, effective October 15, 1919.

Approved.

Dated Oct. 2d, recommending appointment of Mr. Joseph F. Tibbs as Federal reserve Note Clerk at \$1,800 per annum, effective October 2, 1919.

Approved.

At 4-30 P.M., the meeting adjourned.



Secretary.

Approved:



Governor.