

At a meeting of the Federal Reserve Board held in the office of the Board on Tuesday, October 14, 1919, at 11 A.M.

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

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>
Richmond,	Oct. 11th	\$200,000
Philadelphia,	"	500,000

Approved.

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 $\frac{1}{4}$ % 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>
Oct. 9th	Philadelphia	Chicago	\$6,000,000	11-15 days
"	Richmond	Chicago	5,000,000	"
"	Dallas	Chicago	5,000,000	"
Oct. 11th	Philadelphia	Chicago	3,500,000	"

Noted.

Telegram dated September 22d from the Federal Reserve

-2-

Agent at Dallas, in connection with the question of establishing a branch at San Antonio, Texas.

Tabled for meeting of the Board on Wednesday, October 15th.

Letter dated April 30th from Walter S. Cox, Shorthand Reporter, submitting schedule of charges for making stenographic records of conferences with, and hearings before the Federal Reserve Board.

Approved.

Application of the Merrill Trust Company of Bangor, Maine, for authority to establish a branch or agency at both Harrington and Jonesport, Maine.

Approved, subject to approval by General Counsel.

Letter dated October 8th from the Governor of the Federal Reserve Bank of Chicago, in re proposed purchase of additional real estate by that Bank. The Governor stated that he had been in communication with Governor McDougal, and that it was agreeable to the Chicago Bank that action be deferred on their request for authority to make the additional investment in real estate, pending a survey and report by the Board's Supervising Architect.

Letter dated October 8th from the Chairman of the Federal Reserve Bank of Dallas, requesting approval of rates

-3-

of payment of bonus to employees of that Bank on January 1, 1920.

Ordered tabled for consideration, after consideration of subject at forthcoming meetings of Federal Reserve Agents and Governors.

Letter dated October 8th from the Chairman of the Federal Reserve Bank of Dallas, requesting approval of increases in salaries of employees of the Credit Department of that Bank.

Approved.

Letter dated October 8th from the Chairman of the Federal Reserve Bank of Dallas, requesting approval of increases in salaries of employees of the District Clearing House Department of that Bank.

Approved.

Resolution adopted by the Chamber of Commerce of St. Louis, Missouri, relative to the elimination of charges in connection with the clearing of out of town checks.

Ordered passed to file.

Letter dated October 9th from the Chairman, Federal Reserve Bank of Chicago, inquiring whether or not the Board would object to his serving on a committee of policy holders of the Northwestern Mutual Life Insurance Company.

Referred to the Governor for reply.

Letter dated October 10th from Deputy Governor Peple

-4-

of the Federal Reserve Bank of Richmond, submitting form of agreement between that Bank and member banks governing the use of the immediate credit symbol.

Ordered circulated and docketed for conference with Governors of Federal Reserve Banks on November 12th.

Opinion by General Counsel dated October 13th in re settlement of losses suffered by certain Fourth Liberty Loan subscribers by reason of the theft of approximately \$7,000 of bonds from a so-called clearing house established by the San Francisco Liberty Loan Committee and the Federal Reserve Bank of San Francisco.

Opinion concurred in.

Letter dated October 8th from the Chairman of the Federal Reserve Bank of Dallas, requesting approval of increase of 1/4% in the rate on 15 day paper secured by certificates of indebtedness.

Referred to the Governor for conference with the Treasury Department and report.

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

Referred to Mr. Hoxton for report.

REPORTS OF COMMITTEE NO. 1:

Dated Oct. 14th, recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

-5-

Dated Oct. 14th, recommending approval of application of Frederick L. Baily to serve at the same time as a director of the Franklin National Bank, and as Manager of the Girard Trust Company, both of Philadelphia, Pa.
Approved.

Dated Oct. 14th, recommending approval of application of Harding Allen to serve at the same time as President and Director of the Second National Bank of Barre, Mass., and as Director of the Merchants National Bank, Worcester, Mass.
Approved.

Dated Oct. 14th, recommending approval of application of John Fletcher to serve at the same time as a director of the Fort Dearborn National Bank, the Drovers National Bank, and the Englewood State Bank, all of Chicago, Ill.
Approved.

Dated Oct. 14th, recommending action on applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.
Approved.

Dated Oct. 8th, recommending that Messenger L. C. Berry having served a probationary period of two months, be placed upon a permanent basis effective October 16, 1919, and that he be granted additional bonus of \$240 per annum, making his pay \$1,080 per annum.
Approved.

Dated Oct. 9th, recommending that Miss Burnetta Black now absent on account of illness, be carried on the Board's payroll for the month ending October 31st.
Approved.

Dated Oct. 13th, recommending that Frederick W. Jones, an employee of the Division of Analysis and Research, be continued on the present full time basis, at \$2,400 per annum.
Referred to Mr. Miller with power.

-6-

Dated Oct. 11th, recommending approval of increases in salaries of the following employees in the Federal Reserve Issue and Redemption Division:

Robert Thomas
F. H. Styles
Referred to the Governor with power.

Other business was presented and disposed of as follows:

Opinion by General Counsel dated October 13th, to the effect that the Federal Reserve Bank of Kansas City is without authority to offer rewards for the apprehension of those guilty of thefts of Government securities in the Tenth Federal Reserve District, issued subsequent to April 17, 1917.

Approved.

Application of the Merchants National Bank of Hillsboro, Ohio, for fiduciary powers, together with opinion by General Counsel dated October 14th.

Voted to approve subject to condition that the paid in capital of the bank be increased to \$125,000 before July 11, 1922.

Letter dated October 13th from the Chairman of the Federal Reserve Bank of Richmond, requesting approval of increase of approximately \$200,000 in the amount authorized for the expenditure in the erection of a new bank building in order to provide for a change from limestone to granite outside construction.

-7-

Referred to the Governor for report
after consultation with the Consulting
Architect.

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

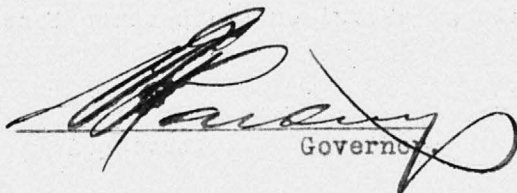
Letter dated October 9th from the Secretary of the
Federal Reserve Bank of Cleveland in re expenditure by that
Bank of \$77. for "Cost of meetings of officers and heads
of departments".

Voted to approve expenditure as made.

At 1-15 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.