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

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

PRESENT ALSO:
Mr. Harrison, General Counsel.

Business was presented and disposed of as follows:

The Governor submitted for approval, draft of letters prepared by him dated October 15th, addressed to the Chairman, Federal Reserve Bank of Minneapolis, and to the President, Midland Trust & Savings Bank, St. Paul, Minnesota, in re improper method pursued by the latter in selling its capital stock.

Approved.

(At this point Mr. Williams joined the meeting)

Telegram dated October 15th from the Governor of the Federal Reserve Bank of Dallas in re status of loans made by that Bank to the First National Bank of Pharr, Texas. It was the concensus of opinion of the meeting that in view of the statements contained in Mr. Van Zandt's telegram it would be improper for the Board to request the Federal Reserve Bank of Dallas to release to the First National Bank of Pharr, collateral held by the Federal Reserve Bank of Dallas.
against its loans to the member bank. Mr. Williams re-
quested, however, that the Board procure for his use certain
information as to the character of the collateral held by
the Federal Reserve Bank of Dallas.

Letter dated October 14th from Deputy Governor
Peple of the Federal Reserve Bank of Richmond, requesting
the Board's views as to whether or not apples in cold storage
would fall within the Board's definition of readily market-
able staples.

The Governor submitted for approval,
draft of telegram prepared by him under date
of October 15th, to the effect that apples
in cold storage come within the Board's
definition of readily marketable staples.

Approved.

Telegram dated September 22d from the Federal Re-
serve Agent at Dallas, in connection with the question of
establishing a branch at San Antonio, Texas.

Tabled for meeting of the Board on
Thursday, October 16th.

Application of the Waxahachie National Bank, Waxa-
hachie, Texas, for permission to accept drafts and bills of
exchange up to 100% of its capital and surplus under the pro-
visions of Section 13 of the Federal Reserve Act.
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\(\frac{3}{4}\)% on paper secured by Liberty bonds and Victory notes, as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Bank rediscounting</th>
<th>With</th>
<th>Amount</th>
<th>Maturities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct.13th</td>
<td>Richmond</td>
<td>Minneapolis</td>
<td>$5,000,000</td>
<td>11-15 days</td>
</tr>
</tbody>
</table>

Noted.

Memorandum by Mr. Paddock dated October 11th, advising of the progress of work in connection with the examination of the Federal Reserve Bank of Atlanta, the Birmingham and Jacksonville Branches and the Savannah Agency.

Noted.

Memorandum by the Statistician dated October 10th, requesting that certain information be procured with respect to loans made by National banks to non-member banks.

Referred to the Comptroller of the Currency with request that he furnish the board with such information.

The Governor reported the purchase of special 2\(\frac{3}{4}\) certificates of indebtedness of the United States for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes, as follows:
For Federal Reserve Bank of Kansas City Oct. 14th $500,000
Atlanta " 500,000
Minneapolis " 500,000
Dallas " 500,000

Approved.

REPORTS OF COMMITTEE NO. 1:
Dated Oct. 15th, 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 Oct. 15th, recommending approval of application of Thomas B. Yuile to serve at the same time as a director of the Merchants National Bank of Richmond, Va., and the Industrial Bank of New York City. Approved.

Dated Oct. 15th, recommending approval of application of Melvin A. Taylor to serve at the same time as Vice President and Director of the First National Bank of Chicago, Ill., and as a director of the Industrial Bank of New York City. Approved.

Dated Oct. 15th, recommending approval of application of Walter D. Cline to serve at the same time as Vice President and Director of the First National Bank, Wichita Falls, Texas, and as a director of the City National Bank, Dallas, Texas. Approved.

Dated Oct. 15th, recommending approval of application of L. B. Patterson to serve at the same time as a director of the Fort Dearborn National Bank, the Drovers National Bank and the Woodlawn Trust & Savings Bank, all of Chicago, Ill. Approved.
Dated Oct. 14th, recommending increase in the basic pay of S. T. Dyson, Messenger on the Board's Staff, from $960 to $1,020 per annum, making his total pay including bonus, $1,140 per annum, effective October 16th. Approved.

Other business was presented and disposed of as follows:

Letter dated October 13th from the Chairman, Federal Reserve Bank of Atlanta, advising of the approval by the Board of Directors of that Bank of lease of quarters for the Nashville Branch at a rental of $2,400 per annum.

Approved.

Letter dated October 13th from the Chairman, Federal Reserve Bank of Atlanta, requesting approval of salaries of officers at the Nashville Branch of that Bank as follows:

Bradley Curry, Manager, $4,000
Jos. D. McNamara, Cashier, 2,400

Approved.

Letter dated October 13th from the Chairman, Federal Reserve Bank of Atlanta, requesting authority to expend not to exceed $20,000 in the installation of certain additional features in the vault being constructed for that Bank.

Approved.

At 4-45 P.M., the meeting adjourned.

Approved:

Chairman

Secretary.