

At a special meeting of the Federal Reserve Board held in the office of the Board on Tuesday, December 9, 1919, at 3 P.M.,

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

Business was presented and disposed of as follows:

Letter dated December 8th from Mr. E. C. Fuller of the Philadelphia News Bureau, making inquiry with respect to sales of gold by Federal Reserve banks through foreign agencies, and the Board's policy regarding the use of silver dollars in the regulation of exchange rates.

Referred to the Governor for reply.

The Governor stated that he had reviewed the recommendations of Messrs. Broderick and Will bearing on the operation of the district clearing plan inaugurated in the Eleventh Federal Reserve District by Deputy Governor Talley of the Federal Reserve Bank of Dallas, and had reached the conclusion that in line with such recommendations he believed it would be wise to abrogate the existing arrangement.

Voted that the Governor be authorized to advise Judge Ramsey that the Board desires that the existing district clearing plan be abrogated.

Letter dated December 6th from the Governor, Federal Reserve Bank of Chicago, requesting reconsideration of the

-2-

Board's action in limiting to \$500,000 the amount which might be charged off at the close of business this year against the value of the buildings on the lot at the corner of LaSalle Street and Jackson Boulevard recently acquired by the Bank.

Referred to the Governor for reply.

Letter dated November 13th from the Chairman, Federal Reserve Bank of Richmond, requesting approval of the payment of extra compensation to employees of that Bank on December 31, 1919, on the following basis:

Salaries up to and including \$1,500 per annum,	25%
Salaries above \$1,500 and including \$3,000,	20%
Salaries above \$3,000 up to and including \$7,500,	15%

The minimum payment in one class is not to be less than the maximum in the next lower class.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated Dec. 9th, 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 Dec. 8th, recommending action on applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.

-3-

Dated Dec. 8th, recommending action on application of Frederick C. McDuffie to serve at the same time as a director of the First National Bank of Boston, Mass., and the Merchants Trust Company, Lawrence, Mass.
Approved.

Dated Dec. 8th, recommending action on application of Jesse P. Lyman to serve at the same time as a director of the Fourth Atlantic National Bank of Boston, and the Fitchburg Bank & Trust Company, Fitchburg, Mass.
Approved.

Dated Dec. 8th, recommending action on application of Frank H. Gage to serve at the same time as a director of the Central National Bank, Lynn, Mass., and the New England Trust Company, Boston, Mass.
Approved.

Dated Dec. 8th, recommending action on application of Guy A. Ham to serve at the same time as President and Director of the Citizens National Bank of Boston, and as Director of the Jamaica Plain Trust Co., Boston, Mass.
Approved.

Other business was presented and disposed of as follows:

Letter dated December 5th from the Governor, Federal Reserve Bank of Chicago, stating that the Chicago Bank, by reason of its pressing needs, would like to continue its building project and not defer same in line with the Board's telegram of December 3d.

Referred to the Governor for reply.

-4-

Letter dated December 4th from the Chairman, Federal Reserve Bank of New York, submitting for approval revised plan of procedure with regard to clearing accounts of non-member banks in that District.

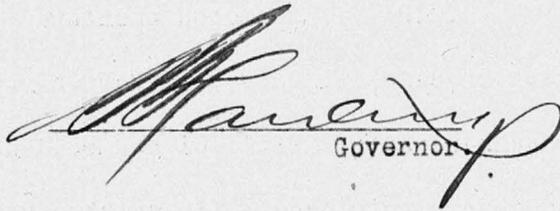
Approved.

At 4-15 P.M., the meeting adjourned.



Secretary.

Approved:



Governor.