

At a meeting of the Federal Reserve Board held in the office of the Board on Thursday, January 22, 1920, at 11-20 A.M.,

PRESENT: The Governor
 Mr. Strauss
 Mr. Miller
 Mr. Hamlin
 Mr. Moenlenpan
 Mr. Williams
 Mr. DeLamater, Secretary of Meeting.

Minutes of meetings of the Board held on January 21st were read, and on motion approved as amended.

Business was presented and disposed of as follows:

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations, rate 4-3/4%, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Jan. 20th	Richmond	Chicago	\$5,000,000	11-15 days
"	Philadelphia	Chicago	5,000,000	"

Noted.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business January 20th, and the status of rediscounts between Federal Reserve banks as of the same date.

Letter dated January 21st from Governor Passmore of the Federal Reserve Bank of Philadelphia, notifying the Board

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of his intended resignation as Governor, to take effect not later than the end of February, 1920.

Noted.

Mr. Miller reported the result of a conversation had by him with Governor Calkins of the Federal Reserve Bank of San Francisco with reference to the condition of the Bank of Italy, and stated that Governor Calkins had requested that the national bank examiners examine the national banks controlled by the Bank of Italy, simultaneously with the next examination of the affairs of that Bank.

Mr. Williams stated that this would be done.

Memorandum dated January 20th by Mr. Hoxton, regarding the report of the Chairman, Federal Reserve Bank of Dallas of January 8th, concerning the shortage in the clearing house department and receiving teller's department of the Houston Branch, in which Mr. Hoxton suggested that no further action would seem necessary.

Approved.

A discussion was had of the form of announcement by the Board of the rates of discount established as a result of its meeting on January 21st.

On motion duly seconded, the preparation of announcement was referred to the Governor and Vice-Governor, with power.

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Memorandum dated January 20th by General Counsel, submitting application of the Texas Bank & Trust Company, Galveston, Texas, for membership in the Federal Reserve System.

Approved as recommended.

Letter dated January 15th from the Mercantile Bank of the Americas, advising of increase in its capital stock from \$5,000,000 to \$10,000,000.

Noted.

Letter dated January 16th from the Chairman, Federal Reserve Bank of Atlanta, transmitting Annual Report of that Bank for the year ending December 31, 1919.

Ordered circulated.

Letter dated January 19th from the Chairman, Federal Reserve Bank of Kansas City, transmitting Annual Report of that Bank for the year ending December 31, 1919.

Ordered circulated.

REPORTS OF COMMITTEE NO. 1:

Dated Jan. 21st, recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated Jan. 21st, recommending approval of application of Orion H. Cheney to serve at the same time as a director and President of the Pacific Bank, and as a director of the American Exchange National Bank and the American Trust Company, all of New York, N. Y.

Approved.

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Dated Jan. 17th, recommending approval of salary of \$2,400 per annum for Mr. William P. Folger as National Bank Examiner in the Fifth Federal Reserve District.

Approved.

Other business was presented and disposed of as follows:

Letter dated January 21st from Consulting Architect Trowbridge, with reference to the selection of contractors for the erection of a structure for the purpose of testing vault construction, and transmitting estimate of Matthews Construction Company of Princeton, N.J., amounting to \$65,500, including fees.

On motion duly seconded, it was voted to authorize Mr. Trowbridge to engage the firm of Matthews Construction Company upon the basis outlined.

Memorandum dated January 20th by General Counsel, to the effect that if a Federal Reserve bank establishes, and the Federal Reserve Board approves a preferential rate upon member bank notes secured by certificates of indebtedness, the Reserve bank may, as a matter of administration, refuse to make an advance on such notes unless the certificates of indebtedness pledged as security are actually owned by the member bank, and unless the Government deposit of such bank, if any, at the time such advance is made is also secured by

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certificates of indebtedness actually owned by it.

Ordered circulated and docketed for the meeting of the Board to be held on Friday, January 23d.

Letter of January 12th from the Chairman, Federal Reserve Bank of New York, advising that Messrs. Lee, Higginson & Company had filed with that Bank a statement of financial condition for the purpose of qualifying their acceptances as eligible for purchase by the Federal Reserve Bank in open market transactions.

Approved.

Memorandum dated January 21st of General Counsel in regard to eligibility of Captain James F. Oyster as a member of the Rent Commission of the District of Columbia, to serve at the same time as Class "B" director of the Federal Reserve Bank of Richmond.

Ordered circulated, and referred to the Law Committee for report.

Memorandum dated January 16th, with reference to the application for organization of the "First Federal Credit Bank" under Section 25 (a) of the Federal Reserve Act.

Ordered circulated, and referred to the Law Committee.

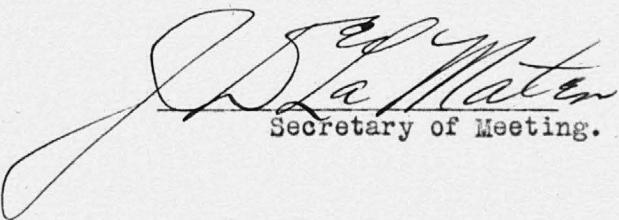
Letter dated January 19th from the Chairman, Federal Reserve Bank of Cleveland, submitting report of committee of

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the Board of Directors of that Bank with reference to the purchase of the Second National Bank Building, Pittsburgh, Pa., at a cost not to exceed \$560,000 for the use of the Pittsburgh Branch of the Federal Reserve Bank of Cleveland.

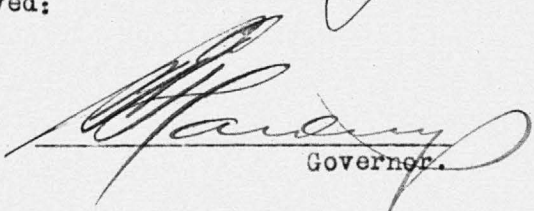
On motion duly seconded, it was voted to approve such purchase.

At 12-45 P.M., the meeting adjourned.



Secretary of Meeting.

Approved:



Governor.