

At a special meeting of the Federal Reserve Board held in the office of the Board on Saturday, January 24, 1920, at 11-50 A.M.,

PRESENT: The Vice-Governor
Mr. Miller
Mr. Hamlin
Mr. Williams
Mr. DeLaMater, Secretary of Meeting.

Minutes of meetings of the Board held on January 22d and 23d were read, and on motion approved as amended.

Business was presented and disposed of as follows:

Discussion was had of action taken by the Board on January 22d with reference to letter from the Chairman, Federal Reserve Bank of New York dated January 12th in connection with statement of financial condition filed with that Bank by Messrs. Lee, Higginson & Company for the purpose of qualifying their acceptances as eligible for purchase by the Federal Reserve Bank of New York.

Voted that a report be made upon the nature and form of the information given by all such accepting firms, with special reference to whether such statements are oral or in writing, and if the latter, whether signed or unsigned.

Telegram dated January 23d, advising that the conference of representatives of clearing house associations convened in Chicago on that date had adopted resolution recommending the maximum rate on bank balances of 2-1/4%, and that Mr. Thomas P. Beal, Jr., representing the Boston Clearing

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House Association had stated that it would be the disposition of that association to act fairly in the matter, and that they might review their previous action. The Vice-Governor submitted for approval draft of a proposed telegram to Mr. Beal.

Approved.

The Vice-Governor reported rediscount transaction, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations, rate 4-3/4% on paper secured by certificates of indebtedness and Liberty bonds or Victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Jan.21st	Philadelphia	Chicago	\$4,000,000	11-15 days

Noted.

The Vice-Governor reported rediscount transaction, 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.22d	Philadelphia	Chicago		\$5,000,000	11-15 days

Noted.

The Vice-Governor reported rediscount transaction,

pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations, rate 4-3/4% on paper secured by certificates of indebtedness, and 5-1/2% 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>
Jan. 23d	Philadelphia	Dallas	\$5,000,000	11-15 days

Noted.

The Vice-Governor reported the reserve positions of the several Federal Reserve banks as at close of business January 22d, and the status of rediscounts between Federal Reserve Banks as of the same date.

Memorandum dated January 21st by General Counsel, annotated by Mr. Hamlin, with reference to eligibility of Captain James F. Oyster to serve at the same time as a member of the Rent Commission of the District of Columbia and as Class B director of the Federal Reserve Bank of Richmond.

Referred to the Law Committee for preparation of draft of regulation in accordance with Mr. Hamlin's suggestion.

Letter dated January 19th from Mr. E. R. Kenzel of the Federal Reserve Bank of New York, enclosing report of recommendations of committee regarding Reserve bank insurance covered by topic No. 10 of the Conference of Governors of March, 1919.

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Ordered circulated.

Letter dated January 20th from Deputy Governor Peple of the Federal Reserve Bank of Richmond, with correspondence concerning refusal of certain New York banks to recognize the Immediate Credit Symbol used by the banks of the Fifth Federal Reserve District.

Referred to the Governor with power.

Letter dated January 17th from the Chairman, Federal Reserve Bank of Dallas, with further reference to the effective date of the abolition of the District Clearing Plan in the Eleventh Federal Reserve District.

Ordered circulated.

Letter dated January 17th from Mr. E. R. Kenzel of the Federal Reserve Bank of New York, relative to complaint as to bills of the Rector Trading Company of New York.

Referred to the Governor for reply.

Application of the East River National Bank, New York, N.Y., for permission to accept drafts and bills of exchange up to 100% of its capital and surplus under the provisions of Section 13 of the Federal Reserve Act.

Voted to hold application in abeyance pending recommendation of the committee.

REPORTS OF COMMITTEE NO. 1:

Dated Jan. 24th, 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 Jan. 24th, recommending approval of applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.

At 12-50 P.M., the meeting adjourned.

J. P. La Mater
Secretary of Meeting.

Approved:

Albert Krauss
Vice-Governor.