

At a special meeting of the Federal Reserve Board held in the office of the Board on Saturday, March 20, 1920, at 10-30 A.M.,

PRESENT: Mr. Hamlin, Presiding
Mr. Miller
Mr. Moehlenpah
Mr. Williams
Mr. Chapman, Secretary.

PRESENT ALSO:
Mr. Hoxton, Executive Secretary
Mr. Paddock, Chief, Division of Operations and Examination
Mr. Herson, Chief Federal Reserve Examiner.

Business was presented and disposed of as follows:

Application of the Mercantile National Bank, San Francisco, California, 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.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated March 20th, 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 March 20th, recommending approval of application of Charles MacNeill to serve at the same time as a director of the First National Bank, Colorado Springs, Colo., and the Liberty National Bank, New York City.

Approved.

-2-

Dated March 20th, recommending approval of application of Arthur W. Baltz to serve at the same time as a director and officer of the First National Bank, East St. Louis, Ill., and the First National Bank, Millstadt, Ill.
Approved.

Dated March 20th, recommending approval of application of Robert E. Gillespie to serve at the same time as a director and officer of the First National Bank, East St. Louis, Ill., and as a director of the First National Bank, Cobden, Ill.
Approved.

Dated March 20th, submitting application of John W. Ailes to serve at the same time as a director of the Monongahela National Bank, Pittsburgh, Pa., the First National Bank, Donora, Pa., First National Bank, Roscoe, Pa., First National Bank, California, Pa., and the First National Bank, Wilson, Pa.
Approved as to first, and in addition any two of the others.

Dated March 19th, recommending changes in stock at Federal Reserve banks, as set forth in auxiliary minute book as of this date.
Approved.

Dated March 18th, recommending approval of salary at rate of \$6,000 per annum for Mr. Frank L. Norris as National Bank Examiner to examine European branches of national banks, to cover his services prior to departure for Europe; and salary at rate of \$2,500 per month to cover his services from date of his departure until his return, including all expenses incurred for himself and his assistant.
Referred to Secretary for report.

Mr. Hamlin reported rediscount transactions, pursuant to authority heretofore vested in him; member bank

-3-

promissory notes secured by Government obligations, rate 5%
on paper secured by certificates of indebtedness, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
		(Boston	\$10,000,000	11-15 days
Mar. 18th	Philadelphia..)Cleveland	6,000,000	"
		(Dallas	3,000,000	"
Mar. 19th	Philadelphia	Boston	5,000,000	Within 15 days

Noted.

(At this point Mr. Hoxton, Mr. Paddock and Mr. Herson
joined the meeting)

Mr. Herson made a brief statement of the results of
his observations during the examination of the Federal Re-
serve Bank of Cleveland just closed.

The Board instructed Mr. Herson upon the occasion of
his next examination of the Federal Reserve Bank of New York,
to review particularly the acceptance business done by that
Bank, and to submit to the Board an analysis of the acceptance
holdings of the Bank.

On motion duly seconded, it was voted that the Fed-
eral Reserve banks be requested to report to the Board as
of close of business Friday, March 19th, their holdings of
acceptances and other paper in which the five large packing
houses of the United States are interested, both on domestic
and foreign transactions, the latter divided as between ex-
ports and imports, and if possible, to give information show-

ing what goods are covered by acceptances, and to what countries such goods have been shipped.

Mr. Hoxton referred to the action of the Board at its meeting on March 18th, in advising the Federal Reserve Bank of Richmond that it would not approve adjustment of salaries of employees of the Transit Department of that Bank until receipt of detailed recommendations in the premises. He stated in detail the object to be achieved by the Reserve Bank of Richmond, whereupon it was


Voted to reconsider the action taken at the meeting on March 18th, and

Voted further, that the Secretary notify the Federal Reserve Bank of Richmond that it is authorized to increase to \$15 per week the entrance salary of employees of its Transit Department, and to make such adjustment as this change may render necessary in the salaries of persons already employed in that Department.

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


Secretary.

Approved:


Acting Chairman.