

At a meeting of the Federal Reserve Board held in the office of the Board on Wednesday, August 4, 1920, at 11 A.M.,

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

PRESENT ALSO:
Mr. Logan, General Counsel.

Minutes of meeting of the Board held August 3d were read, and on motion approved.

Business was presented and disposed of as follows:

Letter dated August 3d from the Chairman, Federal Reserve Bank of New York, advising that Deputy Governor Harrison had expressed to him the opinion that private bankers might now serve as directors of National banks with which their private banking concerns are not in substantial competition.

Referred to General Counsel for opinion.

The Governor reported rediscount transaction, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rates 5-1/2% on paper secured by certificates of indebtedness, and 6% on paper secured by Liberty bonds and Victory notes, as follows:

-2-

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Aug. 3d	Minneapolis	Boston	\$1,000,000	11-15 days

Noted.

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rates same as those borne by certificates, with minimum of 5-1/2%, and 6% on commercial paper, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Aug. 2d	Atlanta	Cleveland	\$ 599,500	11-15 days
Aug. 2d	Atlanta	Cleveland	1,300,000	16-90 days

Noted.

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business August 2d, and the status of rediscounts between Federal Reserve Banks as of the same date.

REPORTS OF COMMITTEE NO. 1:

Dated August 4th, 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 August 3d, recommending changes in stock at Federal Reserve Banks, as set forth in the auxiliary minute book as of this date.

Approved.

-3-

Dated August 3d, recommending approval of application for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.

Other business was presented and disposed of as follows:

Mr. Hamlin stated that pursuant to the authority vested in Members by the Board, he had granted to his Private Secretary, Mr. J. P. Moore, an increase in his basic salary of \$100 per annum, effective August 1, 1920.

Noted.

(At this point Mr. Williams joined the meeting)

The Governor read a memorandum prepared by the Chief, Division of Examination, in re examination of foreign branches of foreign banking corporations doing business under agreement with the Federal Reserve Board.

After discussion, it was decided that the Board would take no action in this respect at the present time.

Telegram dated August 3d, inviting the Governor to address the Kentucky Bankers' Association on September 8th.


Voted that the Governor be authorized to exercise his discretion in accepting or declining the invitation.

Letter dated July 20th from Vice-President Neilson of the Mercantile Bank of the Americas, in re financing of the Cuban Sugar crop by means of acceptances. Mr. Hamlin

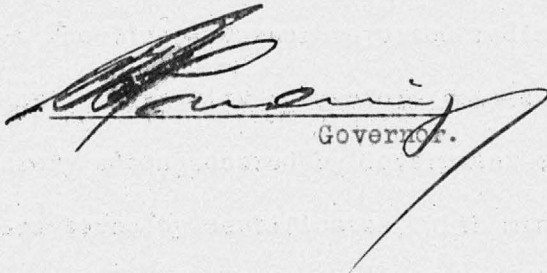
submitted for approval, revised draft of reply by the Governor under date of August 3d.

Approved as submitted.

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


Secretary.

Approved:


Governor.