

At a special meeting of the Federal Reserve Board held in the office of the Board on Friday, September 17, 1920, at 11 A.M.,

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

PRESENT ALSO:  
Mr. Logan, General Counsel.

Minutes of meeting of the Board held September 14th were read, and on motion approved.

Minutes of meeting of the Executive Committee held September 15th were read, and on motion the action therein set forth was ratified.

Business was presented and disposed of as follows:

On motion duly seconded, it was voted to make special order business at the meeting of the Board to be held Wednesday, September 22nd, the question of approval of the new Regulations of the Federal Reserve Board, Series of 1920.

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rate 7% on commercial paper, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept. 13th	Atlanta	Cleveland	\$2,146,500	7-14 days
Sept. 14th	Atlanta	Philadelphia	3,000,000	10-50 days
Sept. 15th	St. Louis....	(Boston)	5,000,000	31-90 days
		(Cleveland)	5,000,000	31-90 days

Noted.

The Governor reported rediscount transactions, pur-

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suant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rate 7%, and 7% on commercial paper, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept.13th	Minneapolis....	Cleveland	\$5,000,000..	(11-15 days (1-90 days
Sept.15th	Richmond	Boston	10,000,000	8-15 days
Sept.15th	Dallas	Cleveland	6,000,000	- -

Noted.

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business September 15th, and the status of rediscounts between Federal Reserve Banks as of the same date.

Letter dated September 16th from the Governor, Federal Reserve Bank of Philadelphia, advising of the discovery of error in the over-issue of First Liberty Loan Bonds to the First National Bank of Bethlehem, Pennsylvania, as accounting for the reported over-issue of interim certificates by the Federal Reserve Bank, and suggesting a plan for settlement of the difference.

Referred to the Governor for reply.

Letter dated September 14th from the Acting Governor, Federal Reserve Bank of New York, enclosing copy of his letter to the Bank of France and to the other Federal Reserve Banks

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in regard to the proposed arrangement for the earmarking for the Federal Reserve Bank of New York by the Bank of France of \$35,000,000 gold.

Noted.

Letter dated September 16th from the Assistant Federal Reserve Agent at New York, enclosing corrected copy of memorandum on foreign exchanges for use by the League of Nations.

Ordered circulated and docketed for meeting of the Board to be held Tuesday, September 21, 1920.

Letter dated September 14th from the Acting Governor, Federal Reserve Bank of New York, advising of a shipment of Russian gold rubles from Stockholm, consigned to Messrs. Brown Brothers of New York.

Noted.

Application of the Central National Bank, Albany, Alabama, for authority 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.

Memorandum by Mr. Emerson dated September 13th in regard to suggested lease of quarters by the Board in the Federal National Bank Building, Washington, D. C.



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Referred to the Governor and Vice Governor  
with power.

Memorandum by Mr. Emerson dated September 17th, advising that the Secret Service Division has arranged for additional protection of Federal Reserve Banks, in view of the explosion in the financial district of New York yesterday.

Noted.

Telegram dated September 17th from the Chairman, Federal Reserve Bank of San Francisco, requesting that arrangements be made to provide Federal troops for the protection of the Federal Reserve Bank of San Francisco at the request of the officers of that Bank.

Referred to the Governor with power.

Letter dated September 14th from the Assistant Federal Reserve Agent at Cleveland, advising that the Directors of that Bank had voted, subject to approval of the Board, that the Directors attending Executive Committee meetings and special meetings be paid a fee of \$20.

Approved.

Letter dated September 11th from the Federal Reserve Agent at Minneapolis, enclosing an editorial regarding the earnings and operation of the Federal Reserve System.

Ordered circulated.

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REPORTS OF COMMITTEE NO. 1:

Dated Sept. 15th, recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated Sept. 16th, recommending approval of application of Mr. Robert O. Lord to serve at the same time as a Director of the First National Bank of Burlington, Iowa, and as an officer of the Harris Trust & Savings Bank, Chicago, Ill.

Approved.

Dated Sept. 16th, recommending approval of application of Mr. Henry W. Sargent to serve at the same time as a Director of the Liberty National Bank, Ellsworth, Maine, and of the Merrill Trust Company, Bangor, Maine.

Approved.

Dated Sept. 14th, recommending approval of salary of \$4,500 per annum for Mr. Max C. Wilde as National Bank Examiner in the 12th Federal Reserve District.

Approved.

Dated Sept. 15th, recommending approval of appointment of the following employees at the Federal Reserve Bank of New York at salaries indicated:

Mr. Carroll P. Anderson, \$3,000

Mr. James G. Voigt, 2,400

Mr. John E. Wallace, 2,500

Approved.

Dated Sept. 15th, submitting the names of employees of the Federal Reserve Bank of New York at salaries of \$2,400 per annum or over, whose services were discontinued during August, 1920.

Noted.

Letter dated September 15th from the Hibernia Bank & Trust Company, New Orleans, Louisiana, covering revised

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plan of drawing drafts against various banks which are members of a syndicate to grant acceptance credits for financing the exportation of commodities actually under contract for export.

Referred to the Governor and General Counsel with power.

Letter dated September 15th from the Chairman, Federal Reserve Bank of Chicago, inquiring if the Board would deem it good policy for its representatives or other officers in the Federal Reserve Banks to go before the public in an effort to enlighten it with regard to the functions and operations of the Federal Reserve System, and to correct false impressions.

Ordered circulated and docketed for meeting of the Board to be held Tuesday, September 21, 1920.

Letter dated September 16th from the Governor, Federal Reserve Bank of Richmond, enclosing reply by him to an editorial appearing in the Richmond Times Dispatch, and requesting advice from the Board as to whether it concurs in the views therein expressed, and if the Board approves a wider distribution of the Bank's letter.

Ordered circulated and docketed for meeting of the Board to be held Tuesday, September 21, 1920.



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Telegram dated September 16th from Assistant to the Governor, Federal Reserve Bank of Chicago, suggesting further details in regard to the Arizona American-Egyptian cotton acceptance credit, and requesting the views of the Board as to the eligibility of such acceptances in the light of the further explanation submitted. The Governor submitted for approval, telegraphic reply by him dated September 17th.

Approved.

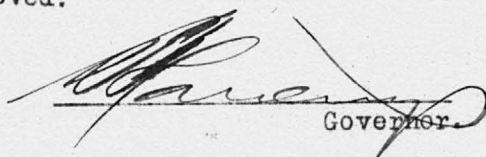
Memorandum by Mr. Miller dated September 17th, suggesting that the Federal Reserve Agents be instructed to confine to business conditions within their own districts their monthly reports to the Federal Reserve Board, and to make uniform captions for such reports.

Referred to the Governor for transmission of circular in line with Mr. Miller's recommendation.

At 1-06 P.M., the meeting adjourned.

  
Secretary.

Approved:

  
Governor.