

At a meeting of the Federal Reserve Board held in the office of the Board on Wednesday, September 22, 1920, at 11 A.M.,

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

Minutes of meeting of the Board held Tuesday, September 21st were read, and on motion approved.

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 7%, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept. 20th	Kansas City	Cleveland	\$3,000,000	7-15 days
		(Philadelphia)	5,000,000	8-15 days
Sept. 21st	Richmond.....	(Boston)	5,000,000	"
Sept. 21st	Richmond	Boston	5,000,000	"

Noted.

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:

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<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept.20th	Atlanta	Philadelphia	\$3,002,000	10-90 days
Sept.21st	Chicago	Cleveland	10,000,000	- -

Noted.

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

Letters dated September 21st from the Railway Loan Advisory Committee, recommending approval of that portion of loan to the Bangor & Aroostook Railroad Company relating to additions and betterments, in the amount of \$20,000, and of loan to the Chicago & Western Indiana Railroad Company of \$8,000,000 under the provisions of Section 210 of the Transportation Act of 1920.

Approved.

Memorandum by Mr. Emerson dated September 20th, calling attention to the following unusual items appearing in the July expense reports of the Federal Reserve Banks indicated:

Cleveland:

Advertising a/c State Bank Membership..\$620.72

Atlanta:

Contribution towards passage of
Negotiable Instrument Act..... 250.

Chicago:

Advertising..... 847.60

Referred to the Secretary for report.

Letter dated September 17th from Acting Secretary Cramer of the Federal Reserve Bank of Chicago, submitting for approval recommendation of the Executive Committee of that Bank covering payment of bonus to its employees and officers receiving salaries of \$6,000 or less, on the following basis:

- 20% On salaries up to \$1,500 per annum
- 15% On salaries over \$1,500 and up to \$3,000.
- 10% On salaries over \$3,000 and up to \$6,000.

The minimum payment in one class not to be less than the maximum in the next lower class.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated Sept. 22d, recommending admission of State institution as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to the application.

Approved.

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

Approved.

Other business was presented and disposed of as follows:

Letter dated September 20th from Assistant Secretary of the Treasury Gilbert in regard to settlement between the

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Treasury Department and the Federal Reserve Banks covering the expenses of the fiscal agency departments of Federal Reserve Banks.

Noted

The Governor submitted for approval, draft of letter by him dated September 22d to the Secretary of State, transmitting for the confidential use of the Department of State, copy of letter from the Acting Governor, Federal Reserve Bank of New York, regarding balances in Japan.

Approved.

Response by the Federal Advisory Council to the questions laid before it by the Federal Reserve Board.

Ordered circulated.

Resolution adopted by the Detroit, Michigan, Clearing House Association, protesting against the proposed action of certain Federal Reserve Agents in discriminating against the paper of the automobile trade.

Noted.

The Governor stated that he was advised by the Secretary of the Treasury that the President had today signed a commission appointing Mr. D. C. Wills, at present Chairman of the Federal Reserve Bank of Cleveland, a Member of the Federal Reserve Board for a period expiring thirty days after

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the first Monday in December, 1920.


Letter dated September 10th from Mr. W. W. Paddock, submitting his resignation as Chief of the Division of Examination of the Federal Reserve Board, effective October 1, 1920.

Accepted.

At 1 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.