A meeting of the Federal Reserve Board was held in the office of the Board on Thursday, December 9th, at 11:35 a.m.

PRESENT: The Governor
The Vice-Governor
Mr. Hamlin
Mr. Miller
Mr. Wills
Mr. Hoxton, Secretary.

Minutes of meeting of the Executive Committee held December 8th were read, and the action of the Committee set forth therein ratified.

Mr. Wills reported that pursuant to the action of the Board on December 7th, he had made inquiries at the Federal Reserve Bank of New York regarding the segregation of certain gold purporting to be earmarked by the Bank of France, and that the Federal Reserve Bank of New York is of the opinion that the earmarked gold is actually segregated.

Upon motion, the Governor was requested to write to the Chairman of the Federal Reserve Bank of New York, inquiring if there is any reason why the gold earmarked in the Bank of France should not be brought back to this country, in accordance with the agreement made at the time the earmarking of the gold was authorized, and advising the Federal Reserve Bank of New York that the Board will not approve the earmarking for indefinite periods of gold in foreign banks.

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business December 7th, and the status of rediscounts between the Federal

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Reserve Banks as of the same date.

Special Order Business: Letter dated December 4th, from the Governor of the Federal Reserve Bank of Cleveland, enclosing resolutions adopted by that Bank regarding limitation upon rediscounts for the Federal Reserve Bank of Atlanta.

Upon motion, the Governor was requested to forward a copy of the resolution of the Board of Directors of the Federal Reserve Bank of Cleveland to the Federal Reserve Bank of Atlanta, for the consideration of the officers and directors of the Atlanta Bank.

Memorandum from Mr. Wills, dated December 7th with regard to Mr. Hoxton's review of the Governors' Conference.

No action. The documents in the case were ordered circulated.

Memorandum dated December 8th, from the Division of Examination, transmitting request for approval of the establishment of two branches in San Francisco by the Bank of Italy.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated Dec. 8th & 9th, Recommending changes in stock at Federal Reserve Banks, as set forth in the auxiliary minute book as of these dates.

Approved.

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Dated Dec. 8th, Recommending the approval of the appointment of Mr. William A. Dodd, as Clerk in the Federal Reserve Note Department, at an initial salary of $1,500. per annum.
Approved.

Letter dated December 7th, from the Comptroller of the Currency, requesting the approval of a salary of $2400. per annum to be paid to Mr. Clyde J. Evans, National Bank Examiner in the Sixth Federal Reserve District.

Approved.

Other business was presented and disposed of as follows:

Memorandum dated December 7th, from Mr. Jacobson, requesting authority for the Statistician and the Assistant Statistician of the Board to attend the meeting of the American Economic Association to be held in Atlantic City on December 27th to 29th.

Upon motion, the Board authorized, at the expense of the Board, the official attendance of the Statistician and the Assistant Statistician at the meeting mentioned.

Letter dated December 6th, from the First National Bank of Samson, Alabama, requesting permission to subscribe to the stock of a certain corporation to be formed under the Edge Law.

Approved.

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Letter dated December 8th, from the Chairman of the Federal Reserve Bank of New York, making certain recommendations as to adjustments in salaries, effective December 1st, in accordance with the plan of anniversary salary adjustments previously authorized by the Board.

Approved.

Letter dated December 6th, from the Chairman of the Federal Reserve Bank of Boston, making certain recommendations as to bonus and salary adjustments.

Referred to the Executive Committee.

The Governor submitted to the Board five proposed bills of Congress sent to him by Senator McLean, with request that the Board express an opinion thereon.

Upon motion, the Governor was requested to reply along general lines brought out by the discussion.

Letter dated December 6th, from the Chairman of the Federal Reserve Bank of Philadelphia, requesting authority to declare a six months dividend for the period ending December 31, 1920, at the rate of 6% per annum, payable on the 31st day of December, 1920.

Approved.

Letters dated December 6th, from the Chairman of the Federal Reserve Bank of Atlanta, announcing the result of elections for Class "A" and Class "B" Directors.

Noted.

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Letter dated December 8th, from the Assistant Secretary of the Treasury, enclosing a proposed circular, prepared by the Treasury Department, to be sent out in the name of that Department and of the Federal Reserve Board, relative to the removal of restrictions upon exchange transactions between this country and that portion of Russia under control of the so-called Soviet Government.

Upon motion, it was the sense of the meeting that the Board recognizes the fact that, in the administration of the President's proclamation relating to foreign exchange, the Federal Reserve Board is only the agent of the Treasury Department, and, therefore, does not wish to assume the responsibility for the action contemplated in the proposed circular, but will be ready at any time to take such administrative action as may be necessary under the terms of any announcement which the Secretary of the Treasury may choose to make.

Letter dated December 8th, from the Assistant Secretary of the Treasury, submitting certain new designs for Federal Reserve notes and Federal Reserve Bank notes.

Referred to the Executive Committee with power.

At 1:30 p.m. the meeting adjourned.

W. W. Hoxton
Secretary.

Approved:

Governor.

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