A meeting of the Federal Reserve Board was held in the office of the Board on Friday, December 10th, at 11:30 a.m.

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

Minutes of the meeting of the Board held December 9th were read, and on motion approved, as amended.

Minutes of the meeting of the Executive Committee held December 9th were read, and the action of the Committee set forth therein ratified, as amended.

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business December 8th, and the status of rediscounts between the Federal Reserve Banks as of the same date.

The Governor reported rediscount transactions, member bank promissory notes secured by Government obligations, rate 7% and 7% on commercial paper, as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Bank rediscounting</th>
<th>With</th>
<th>Amount</th>
<th>Maturities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec. 8</td>
<td>Kansas City</td>
<td>Philadelphia</td>
<td>$2,010,465.</td>
<td>12-14 days</td>
</tr>
<tr>
<td>Dec. 8</td>
<td>Atlanta</td>
<td>Cleveland</td>
<td>1,680,000.</td>
<td>Within 15 dys</td>
</tr>
<tr>
<td>Dec. 9</td>
<td>Atlanta</td>
<td>Cleveland</td>
<td>1,600,000.</td>
<td>&quot; 90</td>
</tr>
<tr>
<td>Dec. 9</td>
<td>Dallas</td>
<td>Cleveland</td>
<td>1,500,000.</td>
<td>11-15 days</td>
</tr>
</tbody>
</table>

With reference to the matter of the proposed circular submitted by the Treasury Department relative to removing restrictions upon exchange transactions between this country and Russia, the Governor stated that he had had an interview with the Secretary of the Treasury upon the subject, and that Mr. Houston had
stated that he had not been fully advised of the wishes of the State Department in regard to the removal of the exchange restrictions, and that the reasons advanced for such removal did not appeal to him, but that he would inquire into the matter.

The Governor submitted a draft of letter agreed to by the Executive Committee at its meeting yesterday, addressed to the Chamber of Commerce of the United States, and embodying the Board's reply to a letter from the said Chamber of Commerce, dated October 9th.

Approved, with slight amendment.

Letter dated December 9th, from the Federal Reserve Bank of Richmond, requesting authority for the payment of a bonus.

Referred to the Executive Committee.

Letter dated December 5th, from the Acting Governor of the Federal Reserve Bank of New York, requesting the Board's approval of the appointment of Mr. L. Randolph Mason as an assistant to Mr. Hart, at an annual salary of $6500.

Approved.

Letter dated December 7th, from the Comptroller of the Currency, recommending that the First National Bank of Covington, Kentucky be permitted to reduce its capital stock from $600,000 to $500,000, and enclosing a like recommendation from the Federal Reserve Bank of Cleveland.

Approved.
Letter dated December 9th, from the Federal Reserve Bank of Richmond, announcing the result of the election for directors for the Baltimore branch by the Board of Directors of the Federal Reserve Bank of Richmond; also advising that Mr. Joseph C. Brown was re-elected by the Federal Reserve Bank of Richmond as a member of the Federal Reserve Advisory Council for the year 1921.

Noted.

Mr. Wills reported to the Board that during his recent visit to New York he had made inquiries regarding the handling of certain acceptance credits by the Guaranty Trust Company, as detailed in the minutes of the Board of December 7th, and that he had ascertained that the drawing of drafts left blank as to drawee until the identity of the drawee is finally determined, is a matter of common practice, and made necessary by the nature of the transaction; also, that he had received no information to the effect that the credits involved are not secured. Mr. Wills further stated that he had been informed that the Guaranty Trust Company was within the past month examined by the Banking Department of the State of New York, and that the examination was participated in by representatives of the Federal Reserve Bank of New York.

Upon motion of Mr. Hamlin, the policy of the Federal Reserve Board regarding the administration of the Clayton Act
was ordered docketed as special order business for next Tuesday, December 14th, with the understanding that efforts should be made to secure a full meeting of the Board at that time.

REPORTS OF COMMITTEE NO. 1:

Dated Dec. 7th and 8th, 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 the statements.

Dated Dec. 9th, 1920, Recommending approval of the appointment of Mr. T. R. Wall to serve at the same time as Director of the Old Commercial National Bank of Oshkosh, Wis. and as Director of the First National Bank of Clintonville, Wis.

Dated Dec. 9th, 1920, Recommending approval of the appointment of Mr. J. P. Matthews to serve at the same time as Director of the Home National Bank of Lexington, S.C., and as Director and President of the Palmetto National Bank of Columbia, S.C.

Dated Dec. 9th, 1920, Recommending approval of the appointment of Mr. J. K. Beretta to serve at the same time as President and Director of the National Bank of Commerce of San Antonio, and President and Director of the Laredo National Bank of Laredo, Texas.

Memorandum from Mr. Smead, dated November 9th, approved by Mr. Emerson, requesting authority for the appointment of Mr. Robert W. Cooke as Junior Technical Clerk in the Division of Reports and Statistics, at an annual salary of $1,400.

Approved.
At this point Governor Morss, of the Federal Reserve Bank of Boston, entered the meeting, upon invitation of the Board, and explained the attitude of the Federal Reserve Bank of Boston regarding certain recommendations which have been made covering changes in the construction of the vault now being erected in the new building of the Federal Reserve Bank of Boston.

At 1:35 p.m. the meeting adjourned.

Approved:

[Signature]

Governor.

[Signature]

Secretary.