

A meeting of the Federal Reserve Board was held in the office of the Board on Wednesday, February 9, 1921, at 11:05 a.m.

PRESENT: Governor Harding
Mr. Hamlin
Mr. Miller
Mr. Williams
Mr. Hoxton, Secretary.

PRESENT ALSO:
Mr. Logan, General Counsel.

Minutes of the meeting of the Board held February 8th were read, and on motion, approved, as amended.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business February 7th, and the status of rediscounts between the Federal Reserve banks as of the same date.

Letter dated February 7th, from the Railway Loan Advisory Committee, requesting approval of a form of loan in the amount of \$29,000 to be made to the Shearwood Railway Company, under the provisions of Section 210 of the Transportation Act, 1920, as amended.

Approved.

Letter dated February 7th, from the Railway Loan Advisory Committee, requesting approval of a form of loan to be made in two parts in amounts of \$400,000 and \$250,000, to the Ann Arbor Railroad Company, under the provisions of Section 210 of the Transportation Act, 1920, as amended.

Approved.

Draft of letter prepared by General Counsel, dated February 9th, and addressed to the Philadelphia National Bank, expressing the opinion of the Board relative to an import or export acceptance credit secured by sterling exchange.

Approved, subject to certain modifications.

Draft of letter prepared by General Counsel, to the Texas Farm Bureau Federation of Dallas, expressing the opinion of the Board with regard to the eligibility for discount at Federal Reserve banks of drafts drawn by producers on marketing corporations of which the said producers are stockholders.

Referred to the Law Committee.

At this point Mr. Williams entered the meeting, and reported that he had communicated with the Assistant Secretary of War with reference to the present condition of the Phillipine National Bank, who advised him that the Secretary of War was much interested in the matter. Mr. Williams also stated that he had had an interview with General McIntire who informed him that this Government had recently disposed of two or three million dollars worth of Phillipine bonds, but that there exists in law no authority to issue further bonds. Also, that the Government of the Phillipine Islands will not, in the opinion of General McIntire, permit the Phillipine National Bank to fail.

Memorandum dated February 9th, from the General Counsel, advising that the Atlanta National Bank, of Atlanta, Ga. and the

American Exchange National Bank of Dallas, Texas, had, without securing permission from the Federal Reserve Board, subscribed \$75,000 each to the stock of the Federal International Banking Company.

Upon recommendation of General Counsel, the subscriptions referred to were authorized.

REPORTS OF COMMITTEE NO. 1:

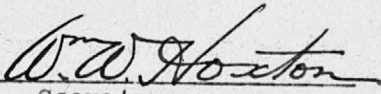
Dated February 9th, Recommending that authority be given to certain National banks to purchase stock in corporations organized under the so-called Edge Act, as set forth in the auxiliary minute book as of this date.

Approved.

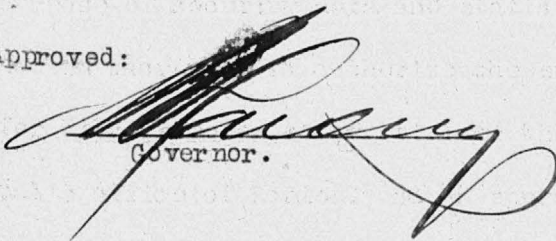
Dated February 7th, Recommending approval of an increase in the salary of National Bank Examiner Jesse L. Penix from \$4000 to \$4200 per annum, effective February 1, 1921.

Approved.

At 1:05 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.