

A meeting of the Federal Reserve Board was held in the office of the Board on Wednesday, February 23d, at 11:30 a.m.

PRESENT: Governor Harding

Mr. Platt

Mr. Hamlin

Mr. Miller

Mr. Wills

Mr. Williams

Mr. Hoxton, Secretary.

PRESENT ALSO:

Mr. Trowbridge, Consulting Architect.

Minutes of the meeting of the Board held February 22d were read, and on motion, approved.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business February 19th, and the status of rediscounts between the Federal Reserve banks as of the same dates.

Letter dated February 18th, from the Assistant Federal Reserve Agent at Cleveland, transmitting application of the First National Bank of Braddock, Pa. to accept drafts up to 100% of its capital and surplus.

Approved.

Mr. Wills brought to the attention of the Board a report which had reached him to the effect that the Federal Reserve Bank of Philadelphia was refusing to cash for individuals over the counter checks drawn upon the Treasury of the United States.

Upon motion, Mr. Wills was requested to take the matter up with the Assistant Secretary of the Treasury with a view to the issuance of a general ruling, and to advise by telephone the Federal Reserve Bank of Philadelphia that in the opinion of the Board, that bank should take care of each such situation as it arises.

At this point Mr. Trowbridge, upon invitation, entered the meeting and laid before the Board his reasons for believing that a second vault test should be authorized in order to ascertain the resisting power of certain vault construction which has been developed as a result of the first test. Mr. Trowbridge also stated that he intended to take out, in the name of himself and Mr. Ten Eyck, letters patent covering forms of vault construction developed as a result of the experience obtained from the previous test, and that by the terms of such patents, the Federal Reserve Board, Federal Reserve banks and their branches and all departments of the Government were to have free use of the process patented; that beyond the above specified exceptions, the rights in the patents reverted to the patentees. Mr. Trowbridge stated further that the papers were taken out in the form indicated in order to prevent the inventions covered from being used by vault manufacturers, and that the patentees did not intend to make any attempt to earn a personal profit through the rights reserved to them by the terms of the patents.

Governor Harding pointed out that a large proportion of the Federal Reserve banks have either completed the construction of their vaults, or made considerable progress in such construction, and, therefore, a further test might not be of interest to any except a few of the Federal Reserve banks. It was the sense of the meeting, therefore, that the Board would not under the

circumstances, be justified in authorizing an appropriation to cover a second test, but that such a test might be undertaken by those Federal Reserve banks which are interested. With this in view, Mr. Trowbridge was requested to take the matter up with the directors of the Federal Reserve Bank of New York and report back to the Board.

Letter from the Chairman of the Federal Reserve Bank of San Francisco requesting authority to make certain additions to the building of that bank at an approximate cost of \$900,000.

Referred to Mr. Trowbridge for report.

At this point Mr. Trowbridge withdrew from the meeting.

Upon motion, duly seconded, the matter of the patent rights explained by Mr. Trowbridge was referred to Mr. Hamlin for a report after consultation with General Counsel, it being the sense of the Board that steps should be taken to secure the transfer of all rights in such patents to an appropriate department of the Government.

At this point Mr. Williams entered the meeting at 12:45 and requested the Secretary to read to the Board a letter dated February 19th, addressed by him to Governor Harding. Before the reading of this letter was completed, Mr. Williams asked to be excused on account of an important engagement, and withdrew from the meeting.

Upon motion, duly seconded, Mr. Williams' letter was referred to the Executive Committee, with request that a memorandum in reply thereto be prepared for consideration of the Federal Reserve Board.

REPORTS OF COMMITTEE NO. 1:

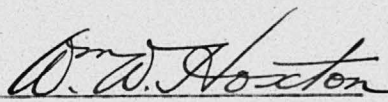
Dated February 18th, Recommending approval of the application of Mr. Maurice F. Reidy to serve at the same time as director of the Merchants National Bank and as director of the Park Trust Company, both of Worcester, Mass.
Approved.

Dated February 18th, Recommending approval of the application of Mr. Aldus C. Higgins to serve at the same time as director of the Merchants National Bank and as director of the Park Trust Company, both of Worcester, Mass.
Approved.

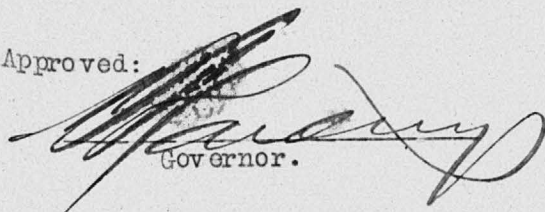
Dated February 18th, Recommending approval of the application of Mr. John F. Tinsley to serve at the same time as director of the Merchants National Bank and as director of the Park Trust Company, both of Worcester, Mass.
Approved.

Dated February 18th, Recommending approval of the application of Mr. George E. Duffy to serve at the same time as director of the Merchants National Bank and as director of the Park Trust Co. both of Worcester, Mass.
Approved.

At 1:20 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.