

A meeting of the Federal Reserve Board was held in the office of the Board on Monday, March 14, 1921, at 11:10 a.m.

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

Minutes of the meeting of the Board held March 11th were read and on motion approved.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business March 10th and 11th, and the status of rediscounts between the Federal Reserve banks as of the same dates.

The Governor reported rediscount transactions, 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>
March 10	Dallas	Cleveland	\$3,000,000	11-15 days

Governor Harding reported that the official stenographer had completed one transcript of the stenographic notes of the meeting held February 28th and March 2, 1921, and that no copies would be made.

Upon motion, it was ordered that the said transcript, as well as the minutes of the meeting of February 26th, shall remain in the custody of Governor Harding, until otherwise ordered.

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Letter dated March 13th, from the President of the Merchants National Bank of Wilmington, N.C., requesting permission to rediscount certain paper originating in non-member banks with the Federal Reserve Bank of Richmond.

Referred to Governor Harding, with the understanding that the matter would be taken up with the officers of the Federal Reserve Bank of Richmond.

Letter dated March 11th, from the Governor of the Federal Reserve Bank of Atlanta, enclosing his report to the Board of Directors of that bank, making recommendation that the discount rate in that district upon notes secured by Liberty Bonds and Victory Notes be increased from  $5\frac{1}{2}\%$  to  $6\%$ , and that war bonds held by certain banks in excess of capital and surplus shall under certain conditions be purchased by the Federal Reserve Bank of Atlanta, with an agreement to repurchase on the part of the member banks concerned.

Governor Harding stated that after getting exact figures as to the amounts involved from the Federal Reserve Bank of Atlanta, he would discuss the legal aspects of the case with General Counsel, and at a future meeting bring the matter up to the Board for consideration on its merits.

Letter dated March 10th, from the Chairman of the Federal Reserve Bank of Dallas, advising that the First National Bank of Ranger, Texas had failed, and that the failure involved cash items sent to the said bank for collection by the Federal Reserve Bank of Dallas in an approximate amount of \$100,000.

Noted.

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Letter dated March 9th, from the Chairman of the Federal Reserve Bank of New York, making recommendations regarding certain salary adjustments in accordance with the plan of such adjustments on the anniversary of employment, as previously authorized by the Board.

Approved.

Letter dated March 10th, from the Chairman of the Federal Reserve Bank of Richmond, recommending certain adjustments in the salaries of employees in accordance with the plan of anniversary and semi-anniversary adjustments previously authorized by the Board.

Approved.

Letter dated March 8th, from the Chairman of the Federal Reserve Bank of Chicago, suggesting that the Federal Reserve Board authorize a conference of representatives from the Bank Relations Department of the several Federal Reserve banks.

Referred to Governor Harding, with the understanding that the matter will be considered at a later date.

Draft of letter dated March 14th, prepared by the General Counsel, and addressed to the Chief National Bank Examiner of the Second Federal Reserve District, regarding the status of certain acceptances covering imports of coffee from Central America.

Referred to Mr. Hamlin for examination and report to the Board.

Letter dated March 7th, from the Chairman of the Federal Reserve Bank of San Francisco, requesting approval of the appointment of Mr. B. N. L. Davis by the Seattle Branch of the Federal Reserve Bank of San Francisco, at a salary of \$2,700 per annum.

Approved.

Letter dated March 9th, from the Acting Comptroller of the Currency, reporting changes made in the assignments of National Bank Examiners during the month of February, 1921.

Noted.

Letter dated March 10th, from the Governor of the Federal Reserve Bank of Cleveland, enclosing Treasurer's receipts for United States Special Certificates of Indebtedness, aggregating \$23,799,000, owned by that bank, and requesting that the receipts be held in trust by a designated officer of the Federal Reserve Board, as outlined in the confidential letter of the Board, X-3058, issued under date of March 2, 1921.

"Upon motion, it was ordered that the Governor or Vice Governor, or the Acting Executive Officer of the Board, be designated to request the Comptroller of the Currency to withdraw any or all United States Certificates of Indebtedness deposited with the Treasurer of the United States by the Federal Reserve banks to secure Federal Reserve bank note circulation, and that this designation includes the authority to sell, assign and transfer such Special Certificates of Indebtedness upon the request of an officer of any Federal Reserve bank."

Letter dated March 11th, from the Railway Loan Advisory Committee, requesting approval of a form of loan, in the amount of \$1,500,000, to be made to the Western Maryland Railway Co., under the provisions of Section 210 of the Transportation Act, 1920, as amended.

Approved by four members of the Board on March 12th, and ratified at the meeting today.

REPORTS OF COMMITTEE NO. 1:

- Dated March 12th, Recommending certain action to be taken upon applications for admission of State institutions, as set forth in the auxiliary minute book as of this date, subject to the individual reports attached to each application.  
Approved.
- Dated March 14th, Recommending that authority be given to certain national banks to purchase stock in corporations organized under the Edge Act, as set forth in the auxiliary minute book as of this date.  
Approved.
- Dated March 11th; Recommending approval of the application of Mr. T. Schenck Remsen to serve at the same time as director of the Midwood Trust Co. and as vice president of the Nassau National Bank, both of Brooklyn, N.Y.  
Approved.
- Dated March 12th, Recommending refusal of the application of Mr. Marvin A. Neeland to serve at the same time as director of the Bank of North America, Philadelphia, Pa. and as director of the First National Bank, Camden, N.J.  
Approved.

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

W. W. Abston  
Secretary.

Approved: [Signature]  
Governor.