A meeting of the Federal Reserve Board was held in the office of the Board on Monday, April 25, 1921, at 12 o'clock noon.

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

Reading of the minutes was omitted.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business April 21st and 22d and the status of rediscounts between the Federal Reserve banks as of the same dates.

Letter dated April 23d, from the Chairman of the Federal Reserve Bank of Atlanta, advising that that bank is now ready to proceed with the taking of bids for the excavation for the foundations of the new annex building.

Governor Harding was requested to advise the Federal Reserve Bank of Atlanta that the Board interposes no objection to its taking bids and letting contracts for foundations.

Mr. Hamlin submitted draft of letter, dated April 20th, and addressed to all Federal Reserve Agents, on the subject of the authority of National Banks to guarantee letters of credit and acceptances and to appoint correspondent banks as agents to issue the same.

Approved, ordered mimeographed and transmitted.

Draft of letter, for the signature of the Governor, addressed to the Chairman of the Banking and Currency Committee of the
House of Representatives, with reference to a proposed amendment to Section 19 of the Federal Reserve Act, having particular reference to the deduction from gross deposits of balances due from foreign correspondents for the purpose of reserve calculations.

Approved.

Governor Harding stated that the Board had not yet acted upon a recommendation made by the Federal Advisory Council and by the Governors' Conference to the effect that the Federal Reserve Board shall authorize Federal Reserve banks to purchase acceptances covering import and export transactions, having a maturity of not more than six months.

Upon motion, ordered docketed as special order business at the meeting of the Board tomorrow, April 26th.

Letter dated April 20th, from the Chairman of the Federal Reserve Bank of Boston, transmitting, with favorable recommendation, the application of the International Trust Company, of Boston, Mass. to establish certain branches.

Approved.

Letter dated April 20th, from the Assistant Federal Reserve Agent at Cleveland, advising that the Guardian Trust & Savings Bank of Toledo, Ohio has consolidated with the National Bank of Commerce of Toledo, and inquiring if the permission granted to the Guardian Trust & Savings Bank to accept up to 100% of its capital and surplus will be in force with respect to the Commerce Guardian Trust and
Savings Bank, without further permission from the Federal Reserve Board.

Upon motion, it was determined that as a matter of record and procedure, it will be advisable to have the new institution, the Commerce Guardian Trust and Savings Bank, apply for permission to accept up to 100% of its capital and surplus.

Letter dated April 21st, from the Chairman of the Federal Reserve Bank of Minneapolis, recommending that the Board waive one of the conditions of membership previously imposed upon the Mercantile State Bank of Minneapolis, and giving reasons therefor.

Approved.

Letters dated April 19th, from the Chairman of the Federal Reserve Bank of San Francisco, advising of a certain rearrangement of personnel affecting two employees in the Federal Reserve Agents Department.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated April 23rd, Recommending changes in stock at Federal Reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

Dated April 23rd, Recommending action to be taken on applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.
IN THE MATTER OF
THE KILGORE STATE BANK, KILGORE, NEBRASKA.

Hearing to show cause why the Kilgore State Bank, Kilgore, Nebraska, should not be required to surrender its stock in the Federal Reserve Bank of Kansas City, and to forfeit all rights and privileges of membership in the Federal Reserve System, held in the office of the Federal Reserve Board in the Treasury Building, Washington, D. C., at 11 A. M. on April 25, 1921, pursuant to the notice given to the Kilgore State Bank, Kilgore, Nebraska, dated April 8, 1921.

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

No one appeared in behalf of the Kilgore State Bank, Kilgore, Nebraska, that bank having by resolution of its Board of Directors dated April 15, 1921, waived its right to appear before the Federal Reserve Board pursuant to said notice dated April 8, 1921, and having by a similar resolution stated that it did not care to appear before the Federal Reserve Agent at Kansas City, Missouri, pursuant to said notice, but preferred to cancel its stock in the Federal Reserve Bank of Kansas City.

Upon motion duly made and seconded the following resolution was unanimously adopted by those present:

WHEREAS, it appears to the Federal Reserve Board, from a consideration of the evidence and information received by it, that the Kilgore State Bank, Kilgore, Nebraska, has failed to comply with the provisions of Section 9 of the Federal Reserve Act, and that said bank has failed to comply with the regulations of the Federal Reserve Board made pursuant to the provisions of that section.

NOW, THEREFORE, BE IT RESOLVED, that the Federal Reserve Board require and direct the Kilgore State Bank, Kilgore, Nebraska, under the terms of Section 9 of the Federal Reserve Act, as amended by the Act of June 21, 1917, to surrender its stock in the Federal Reserve Bank of Kansas City, and to forfeit all rights and privileges of membership as of the date on which notice of this action on the part of the Federal Reserve Board is received by said bank.

Secretary,
FEDERAL RESERVE BOARD.

Dated April 25, 1921.
At 1:20 p.m. the meeting adjourned.

Approved:

Secretary.

Governor.