

A meeting of the Federal Reserve Board was held in the office of the Board on Tuesday, May 3, 1921, at 11:35 a.m.

PRESENT: Vice Governor Platt  
 Mr. Hamlin  
 Mr. Miller  
 Mr. Crissinger  
 Mr. Hoxton, Secretary.

Minutes of the meeting of the Board held May 2d were read and on motion approved.

The Vice Governor reported the reserve positions of the several Federal reserve banks as at close of business April 30th and the status of rediscounts between the Federal reserve banks as of the same date.

The Vice 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>
May 2	Richmond	New York	\$5,000,000	11-15 days

Memorandum dated April 25th, from the Department of State, transmitting a confidential report from the United States representative at Warsaw, with reference to an agreement under which it is stated that the Guaranty Trust Company of New York is doing business in Poland.

Referred to Mr. Platt, with the request that he secure further information on this subject from the Federal Reserve Bank of New York, with a view to advising the Department of State in the matter.

In accordance with the action of the Board taken at its meetings of April 26th and April 29th, the Vice Governor submitted to the Board a revised draft of the letter prepared for the signature of Governor Harding, designed as a letter of transmittal for Regulation B, Series of 1921, superseding Regulation B, Series 1920, relating to open market purchases by Federal reserve banks of bills of exchange, trade acceptances and bankers' acceptances under Section 14 of the Federal Reserve Act, said revised Regulation being drawn to permit the purchase of certain bankers' acceptances having maturities of not in excess of six months.

Approved.

Draft of letter dated May 3d, addressed to the Shawmut Corporation of Boston, in reply to its letter of April 29th, granting authority to accept drafts to run not longer than ninety days, drawn upon it by banks or bankers in certain Central and South American countries, for the purpose of furnishing dollar exchange.

Approved.

Letter dated April 19th, from the Federal Reserve Bank of San Francisco, recommending that the application for membership of the Peoples' State Bank of Lynden, Washington, be held in abeyance for at least one year.

It was the sense of the Board that in view of the information before it, this application should not be held in abeyance, but should be granted at the present time, and the Secretary was instructed to so advise

the Federal Reserve Agent at San Francisco and inquire what conditions should, in his judgment, be imposed by the Board in case the application is granted at this time.

Report of the Law Committee upon action taken by the recent Governors' Conference, and recommending an amendment to the terms of Section 5202 of the Revised Statutes. Mr. Hamlin reported that the Committee approved the suggested amendment and that this opinion was concurred in by the Comptroller of the Currency.

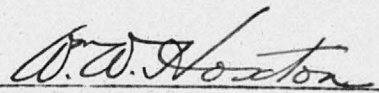
The report was ordered referred to Counsel for preparation of proposed amendment.

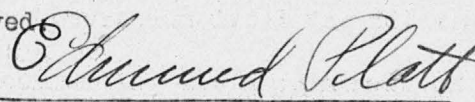
REPORTS OF COMMITTEE NO. 1:

Dated May 2d, Recommending admission of state institutions, subject to the conditions stated in the individual reports attached to the applications, as set forth in the auxiliary minute book as of this date.

Approved.

At 12:25 p.m. the meeting adjourned.

  
Secretary.

Approved   
Vice Governor.