

A meeting of the Federal Reserve Board was held in the office of the Board on Thursday, May 12, 1921, at 11:00 a.m.

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

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

The Governor reported the reserve positions of the several Federal reserve banks as at close of business May 10th and the status of rediscounts between the Federal reserve banks as of the same date.

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>
May 11	Dallas	Boston	\$1,500,000	11-15 days

Letter dated May 10th, from the Federal Reserve Agent at Cleveland, requesting approval of the appointment of Mr. A. P. Whipple as Examiner at a salary of \$3,500 per annum.

Approved.

Letter dated May 9th, from the Governor of the Federal Reserve Bank of Kansas City, in reply to a telegram transmitted by Governor Harding on May 6th, explaining the loan policy of the Fed-

eral Reserve Bank of Kansas City with respect to member banks borrowing in excess of their basic lines.

Noted.

Letter from the Chairman of the Federal Reserve Bank of San Francisco, giving details in the matter of a labor controversy in which is involved the new building of that Bank now under construction.

Noted.

Letter from the Deputy Governor of the Federal Reserve Bank of New York, enclosing letter from the Columbia Trust Company of New York, inquiring if a member bank should maintain reserves against funds deposited with it for the specific purpose of meeting future maturities of acceptances and whether reserve should be maintained against deposits due by a parent bank in this country to its foreign branches.

Referred to General Counsel.

Governor Harding submitted a memorandum prepared by the Governor of the Federal Reserve Bank of New York, giving details of proposed acceptance credit to be extended by certain banks in New York City to certain banks in Argentine for the purpose of furnishing dollar exchange.

Referred to General Counsel.

Memorandum dated May 10th, from the Division of Examination, transmitting a preliminary application for membership from the Ringsted State Bank of Ringsted, Iowa, and recommending that the Federal Reserve Agent at Chicago be requested to make an examination of said applicant and to forward the report to the Federal Reserve Board, together with all other necessary papers.

Approved.

Letter dated May 11th, from the Secretary of the Treasury, stating that it would be convenient for the Treasury from time to time to make payments in denominations of \$20.00 and upwards in gold certificates instead of Federal Reserve notes, and inquiring whether the Federal Reserve Board would offer any objections to such payments of gold certificates by the Treasury.

It was the sense of the Board that while it had no objections to offer against the payment of gold certificates by the Treasury, it would be more desirable to make no change in the present usage for the time being.

The appointment of Mr. R. F. Leonard as Private Secretary to Mr. J. R. Mitchell, at a salary of \$2,500 per annum, was recommended to the Board, effective today.

Approved.

Letter dated May 10th, from the Acting Comptroller of the Currency, recommending an increase in the salary of National Bank Examiner Milton E. Donough from \$2700 to \$3000 per annum, effective May 16th.

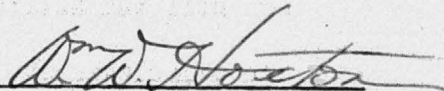
Approved.

REPORTS OF COMMITTEE NO. 1:

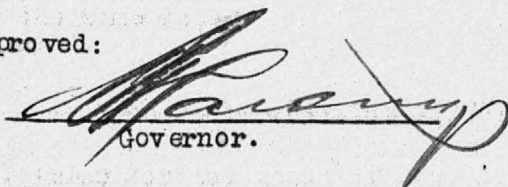
Dated May 9th Recommending approval of applications for admission " 10th of state institutions, subject to the individual reports attached to the applications, as set forth in the auxiliary minute book as of this date.

Approved.

At 1:00 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.