A meeting of the Federal Reserve Board was held in the office of the Board on Wednesday, June 22, 1921, at 11:20 a.m.

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

The minutes of the meeting of the Board held June 21st were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business June 20th 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 $\%$, as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Bank rediscounting</th>
<th>With</th>
<th>Amount</th>
<th>Maturities</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 21st</td>
<td>Richmond</td>
<td>New York</td>
<td>$10,000,000</td>
<td>11-15 days</td>
</tr>
<tr>
<td>June 21st</td>
<td>Minneapolis</td>
<td>New York</td>
<td>4,000,000</td>
<td>11-15 days</td>
</tr>
</tbody>
</table>

Memorandum dated June 21st, from the Division of Examination, transmitting the application for membership in the Federal Reserve System of the Dixie Stockgrowers Bank, St. George, Utah, and recommending that the application be not acted upon at this time, said recommendation concurring in the opinion of the Federal Reserve Agent at San Francisco.
Approved.

Letter dated June 21st, from the Assistant Federal Reserve Agent at Cleveland, transmitting with favorable recommendation the application of the Brotherhood of Locomotive Engineers Cooperative National Bank of Cleveland, Ohio, for authority to accept drafts and bills of exchange up to 100% of its capital and surplus.

Approved.

Telegram dated June 22nd, from the Chairman of the Federal Reserve Bank of Atlanta, advising that the Board of Directors of that bank had subject to the review and determination of the Federal Reserve Board fixed a rate of 6% upon paper secured by United States Treasury notes.

Approved.

Letter dated June 20th, addressed to Mr. Miller from the Wheatgrowers' Association of Spokane, Wash., requesting an informal opinion to the effect that the notes of farmers made payable to the Association and secured by warehouse receipts for grain shall be eligible for rediscount at the Federal Reserve Banks as agricultural paper.

Referred to General Counsel.

Telegram dated June 22nd, from the Chairman of the Federal Reserve Bank of Atlanta, advising of the plan under which that bank will take over certain Government bonds owned by the Bank of Tennessee.
at Nashville, Tenn., and at present used as collateral to loans at
the Federal Reserve Bank of Atlanta.

Governor Harding was requested to advise the Federal Reserve Bank of Atlanta that while the Board regrets the original transaction, it is of the opinion that the plan proposed provides the best solution of the difficulty at this time.

Governor Harding stated that he felt the time had come when the rediscount rate between Federal reserve banks should be reduced from 6 1/2% to 6%.

After discussion, it was upon motion so ordered, Mr. Platt voting "No", and Mr. Miller not voting.

Letter dated June 18th, from Mr. H. A. Moehlenpah, suggesting a ruling by the Board under which the Federal reserve banks would be directed to regard as eligible for discount the notes of the Investors' Finance Corporation of Milwaukee, Wis.

Referred to Mr. Platt for reply after consultation with General Counsel.

Letter dated June 17th from the Secretary of the Federal Reserve Bank of Chicago, submitting a list of adjustments in salaries of the employees of that bank, approved by the Executive Committee on June 17th and effective July 1, 1921.

Approved, upon favorable recommendation by Mr. Mitchell, to whom this matter was referred at the meeting of yesterday.

Draft of letter dated June 22nd, addressed by Governor Harding
to the Secretary of the Treasury, regarding the proposed bill introduced by Senator Capper, under the terms of which the Secretaries of Commerce, Agriculture and Labor are added to the membership of the Federal Reserve Board.

Governor Harding was authorized to advise the Secretary of the Treasury that the letter as drawn expresses the sentiment of the Board.

Draft of letter dated June 22nd, addressed to the State Department, replying to a letter of June 16th from that department, relative to the proposal to establish a Government bank in Cuba, to be operated under the supervision of the Federal Reserve Board.

Approved.

Letter dated June 20th, from the Chairman of the Federal Reserve Bank of Boston, advising that that bank had established, subject to the review and determination of the Federal Reserve Board, a discount rate of 6% upon paper secured by United States Treasury notes.

Approved.

REPORTS OF COMMITTEE NO. 1:

Recommend approving of applications for admission of state institutions, subject to the conditions contained in the individual reports attached to the applications, as set forth in the auxiliary minute book as of this date.

Approved.

Recommend certain action on applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.
Recommending approval of the application of Mr. J. E. Sherrill to serve at the same time as director of the First National Bank of Mooresville, N. C. and as director of the American Trust Company of Charlotte, N. C.

Approved.

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

Approved:

[Signature]

Governor.

[Signature]

Secretary.