

A meeting of the Federal Reserve Board was held in the office of the Board on Wednesday, July 20, 1921, at 11:10 a.m.

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

PRESENT ALSO:
Mr. Logan, General Counsel.

Minutes of the meeting of the Board held July 19th were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business July 18th and the status of rediscounts between the Federal reserve banks as of the same date.

Memorandum dated July 19th, from the General Counsel, with reference to the eligibility of bankers' acceptances drawn by a Cooperative Marketing Association, submitting for the approval of the Board a draft of the ruling requested in a letter dated July 13, 1921, by Mr. Aaron Sapiro.

Approved.

Governor Harding stated that he anticipated that the Board would shortly receive an application for admission to the Federal Reserve System from the International Acceptance Bank, a corporation formed under the laws of the State of New York and operating under

the supervision of the Federal Reserve Board, in accordance with the terms of Section 25 of the Federal Reserve Act.

After discussion, it was determined that the said Company is eligible for membership under the terms of Section 9 of the Federal Reserve Act, and entitled, therefore, to make the application in due course. It was also the sense of the Board that steps should be taken to secure for corporations organized under the Edge Act the right to make application for membership in the Federal Reserve System.

Mr. Mitchell called attention to House of Representatives Bill No. 7829, under the terms of which unsecured paper of factors would be eligible for discount by Federal reserve banks. Governor Harding explained that the provisions of this Bill had previously been formally approved by the Federal Reserve Board. Mr. Mitchell stated that he wished to go on record as objecting to the Bill as drawn.

Governor Harding submitted a letter dated July 14th, from Mr. Emerson, reporting his observations of the operations of the Federal Reserve Bank of Dallas.

Noted.

Governor Harding submitted a letter of July 15th. from the Governor of the Federal Reserve Bank of Dallas, stating his views as to what should be done regarding a reorganization of the staff of officers of the Federal Reserve Bank of Dallas.

Noted.

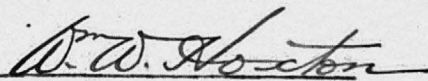
Letter dated July 13th, from the Secretary of the Security National Bank of Dallas, Texas, submitting a resolution passed by the

-3-

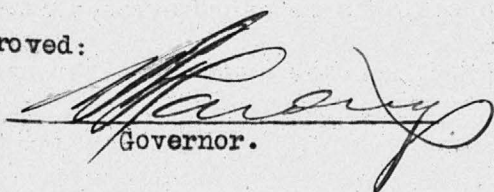
Board of Directors of that Bank, commending the services of the Federal Reserve Agent at Dallas in connection with the successful steps taken to save said Bank from failure during the recent run upon its deposits.

Noted.

At one o'clock p.m. the meeting adjourned.


Secretary.

Approved:


Governor.