

A meeting of the Federal Reserve Board was held in the office of the Board on Tuesday, August 30, 1921, at 11:15 a.m.

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

Minutes of the meeting of the Board held August 25th were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business August 24, 25, 26 and 27, and the status of rediscounts between the Federal Reserve banks as of the same dates.

The Governor reported rediscount transactions, member bank promissory notes, secured by Government obligations, rate 6%, as follows:

<u>Date</u>	<u>Bank redis- counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
August 29	Richmond	New York	\$5,000,000	11-15 days
August 29	Dallas	Cleveland	3,000,000	1-90 "
August 25	Atlanta	Cleveland	1,500,000	1-90 "
August 25	Dallas	Boston	1,000,000	11-15 "
August 27	Minneapolis	New York	1,000,000	1-15 "
August 26	Richmond	New York	10,000,000	11-15 "
August 26	Atlanta	Cleveland	500,000	1-90 "
August 26	Dallas	Boston	2,000,000	11-15 "

Governor Harding submitted to the Board letters from the Federal Reserve Banks of Richmond, Atlanta, Chicago and Dallas, giving the views of the Federal Reserve Agents at those banks with reference to the proposed regulation providing for a special seasonal discount rate

on farm products paper at the Federal reserve banks. In accordance with notice given at the meeting of the Board on August 25th, Mr. Miller moved that the matter of the proposed regulation be reconsidered.

Carried.

After discussion, Mr. Miller moved that the proposed regulation be laid upon the table.

Carried.

Letter dated August 26th, from the Federal Reserve Agent at Boston, enclosing application of the International Trust Company of Boston for the approval of the Federal Reserve Board of the proposed absorption by the International Trust Company of Boston of the main office and the branch of the Hyde Park Trust Company of Boston, said main office and branch to be operated at branches of the International Trust Company of Boston.

Approved.

Letter dated August 22d, from the Federal Reserve Agent at Chicago, requesting authority for the appointment of certain additional employes in the Bank Examination Department of that Bank, at salaries as stated.

Approved.

Letter dated August 24th, from the Federal Reserve Agent at San Francisco, submitting application of the Commercial Bank of San Luis Obispo to establish a branch at Atascadero, California.

Approved.

-3-

Letter dated August 24th, from the Federal Reserve Agent at Chicago, transmitting, with favorable recommendation, the application of the Reliance State Bank of Chicago, for designation as an outlying bank, with authorization to maintain reserves of 10% on demand deposits and 3% on time deposits, in lieu of 13% and 3% as required of banks in central reserve cities. Governor Harding called attention to the fact that approval of this application requires the affirmative vote of five members of the Board and that at the meeting of August 25th four members, namely, Messrs. Platt, Hamlin, Miller and himself had voted affirmatively. Mr. Crissinger stated that he desired to vote aye on this question, and the reserve reduction was thereupon authorized upon the necessary votes of five members of the Federal Reserve Board.

Memorandum dated August 22d, from the Assistant Secretary of the Board, recommending that the Board renew leases upon quarters in the National Metropolitan Bank Building at the increase fixed by the Real Estate firm representing the National Metropolitan Bank, namely, an increase of 48 cents per square foot for space covered by Lease No. 1, and 33-8/10ths cents per square foot for space covered by Lease No. 2.

Approved.

Letter dated August 23d, from the Chairman of the Federal Reserve Bank of Atlanta, transmitting a resolution of the Board of

Directors of that Bank with reference to the fee to be paid by that Bank to its Counsel, in connection with the par clearance case.

Referred to Governor Harding for reply.

Letter dated August 27th, from the Governor of the Federal Reserve Bank of New York, requesting that the Federal Reserve Board permit the Federal Reserve Agent of that Bank to prolong his visit to Europe until the middle of October, in lieu of the former authorization terminating on the first of October.

Approved.

Letter dated August 25th, from the Under Secretary of the Treasury with reference to the redemption at the Jacksonville Branch of the Federal Reserve Bank of Atlanta of unfit United States Currency in circulation in Cuba.

Referred to Governor Harding with power.

Letter dated August 26th, from the Chairman of the Federal Reserve Bank of Atlanta, enclosing a statement prepared by the Assistant Federal Reserve Agent at Atlanta, exhibiting two plans by which the Federal Reserve Bank of Atlanta could make exchange for the currency now circulating in the island of Cuba.

Referred to the Secretary for analysis and report.

The Comptroller of the Currency reported to the Board a situation in the First National Bank of Hagerstown, Maryland which, in his judgment, might necessitate the cancellation of the charter of

the said Bank, and stating his opinion that should such a contingency arise, the case should properly be handled by joint legal action on the part of the office of the Comptroller of the Currency and the Federal Reserve Board.

Referred to Governor Harding and Mr. Crissinger with power.

Letter dated August 26th, from the Acting Deputy Governor of the Federal Reserve Bank of Dallas, transmitting a resolution of the Board of Directors of that Bank authorizing the Comptroller of the Currency to withdraw any or all U.S. bonds deposited with the Treasurer of the United States by the Federal Reserve Bank of Dallas to secure its Federal reserve bank note circulation on written request of an officer of the Federal Reserve Board; and that the officer of the Federal Reserve Board is, under the terms of the resolution, authorized to sell, assign and transfer same on the request of an officer of the Federal Reserve Bank of Dallas.

Upon motion, it was ordered that the Governor or Vice Governor, or the acting executive officer of the Federal Reserve Board, be designated to request the Comptroller of the Currency to withdraw any or all U.S. bonds deposited with the Treasurer of the United States by the Federal Reserve Bank of Dallas, to secure Federal reserve bank note circulation, and that this designation includes the authority to sell, assign and transfer such bonds upon the request of an officer of the Federal Reserve Bank of Dallas.

Letter dated August 29th, from the Railway Loan Advisory Committee of the Federal Reserve Board, recommending approval of the form of obligation submitted by the Great Northern Railway Company for a loan of \$15,000,000, under the provisions of Section 210 of the

Transportation Act, 1920, as amended.

Approved.

Five letters dated August 26th, from the Comptroller of the Currency, requesting the following salaries for the following National Bank Examiners:

<u>Name</u>	<u>District</u>	<u>Salary</u>
Mr. E. T. Johnson	Tenth	\$3,000.
Mr. James J. Carolan	First	3,600.
Mr. Claud DeBaum	Second	4,000.
Mr. George M. Moore	Fifth	3,000.
Mr. Ernest N. Furbee	Fourth	3,000.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated August 29th, Recommending action on application for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.

Dated August 26th, Recommending changes in stock at Federal reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

Dated August 30th, Recommending approval of the application of Mr. W. A. Huppuch to serve at the same time as director and officer of the Peoples National Bank of Hudson Falls, N.Y. and as director of the Adirondack Trust Company, Saratoga Springs, N.Y.

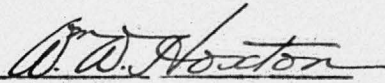
Approved.

Dated August 30th, Recommending approval of the application of Mr. A. J. Cooper to serve at the same time as vice president and director of the County National Bank of Bennington, Vt. and as director of the Manufacturers' National Bank of Troy, N.Y.

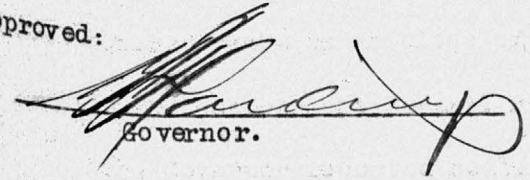
Approved.

Dated August 30th, Recommending approval of the application of Mr. D. W. Mabee to serve at the same time as president and director of the First National Bank, Ballston Spa, N.Y., and as vice president and director of the Adirondack Trust Co., Saratoga Springs, N.Y.
Approved.

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


Secretary.

Approved:


Governor.