

A meeting of the Federal Reserve Board was held in the office of the Board on Wednesday, November 9, 1921, at 11:05 a.m.

PRESENT: Governor Harding

Mr. Platt

Mr. Hamlin

Mr. Miller

Mr. Crissinger

Mr. Hoxton, Secretary.

PRESENT ALSO:

Mr. Logan, General Counsel.

Minutes of the meeting of the Board held November 8th were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business November 7th, and the status of rediscounts between the Federal reserve banks as of the same date.

Letter dated November 4th, from the Chairman of the Federal Reserve Bank of Dallas, stating that the Board of Directors of that Bank had, subject to the approval of the Federal Reserve Board, fixed the compensation of Mr. Emerson, Acting Deputy Governor, at \$11,100.

Upon motion, action deferred until the return of Mr. Mitchell from Dallas.

Governor Harding stated that he expected to be absent next week when Mr. Mitchell returns, and that he wished to be recorded as favoring the approval of the Board of a salary for Mr. Emerson of \$11,000 per annum.

Draft of circular dated November 9th, addressed to the Chairman of all the Federal reserve banks, advising that the Federal Reserve Board had fixed a special subscription price of \$2.00 per annum for the Federal Reserve Bulletin, said special rate to apply to those subscriptions taken out by the several Federal reserve banks for the purpose of supplying the Bulletin to the Examiners of the State Banking Departments located in their respective districts.

Approved.

Draft of circular letter, dated November 9th, and addressed to all Governors and Chairmen of Federal reserve banks, advising of the disposition of the Federal Reserve Board to remove the limit now obtaining upon the amount for which Federal reserve exchange drafts may be drawn, and requesting the views of the Federal reserve banks thereon.

After discussion and the adoption of slight amendments, the circular letter was approved.

Draft of circular letter, dated November 9th, addressed to all Federal reserve banks, drawn in accordance with the action of the Board at its meeting yesterday, and authorizing, under limitations prescribed by law, the purchase of U. S. bonds bearing the circulation privilege.

Approved.

Draft of telegram dated November 9th, in reply to a telegram from the Chairman of the Federal Reserve Bank of Kansas City, dated November 8th, addressed to the Comptroller of the Currency, approving an application for stock in the Federal Reserve Bank of Kansas City, which has been executed by the First National Bank of Moore, Oklahoma.

Approved.

Governor Harding submitted to the Board the minutes of the last Conference of Governors as prepared and transmitted to the Board by Mr. Harrison, Secretary of that Conference.

After discussion of the action taken and recommendations made, Governor Harding was requested to make a reply setting forth the Board's views of the various matters contained in the minutes.

Upon motion of Mr. Miller, unanimously carried, it was voted that Governor Harding be authorized and requested to select an advisory committee of the Governors of five Federal reserve banks, the duty of said Committee being to assist the Federal Reserve Board in the disposition of matters relating to the operations of the Federal Reserve System. It was further voted that until further notice, the personnel of this committee shall consist of the Governors of the Federal Reserve Banks of New York, Philadelphia, Richmond, Cleveland and Chicago; and Governor Harding was requested to advise all Federal reserve banks of the appointment of this committee.

Upon motion of Mr. Miller, unanimously carried, it was voted that the practice of holding group conferences shall be continued during the year 1922, that there shall be two conferences of each group during the year, and that the Federal reserve banks shall be divided into three groups of four banks each. Further, that the points at which the group conferences will be held shall be selected by the Federal Reserve Board, and that at each conference one or more members of the Federal Reserve Board should be present.

Upon motion, the following grouping of the Federal reserve banks was adopted:

Group 1: St.Louis, New York, Chicago, San Francisco.

Group 2: Philadelphia, Richmond, Atlanta, Boston.

Group 3: Cleveland, Minneapolis, Kansas City, Dallas.

Upon motion, it was voted unanimously that during the year 1922 the Federal Reserve Board will hold a conference with the Governors of the Federal reserve banks in the Spring, and a joint conference with the Governors and Federal Reserve Agents in the Fall, it being understood that the Board may, in addition, call such special conferences as it may deem to be necessary or desirable.

The Board discussed fully the application of the Sinclair Consolidated Oil Corporation for a ruling declaring the paper of that Corporation to be eligible for discount or purchase by the Federal reserve banks.

Upon motion, it was voted that the Board regards the paper of the applicant, which is a holding company, as ineligible for discount or purchase by the Federal reserve banks.

Letter dated November 7th, from the Comptroller of the Currency, requesting approval of a salary of \$3000 per annum to be paid to Mr. John R. McMullan, National Bank Examiner in the Fifth Federal Reserve District.

Approved.

Mr. Hamlin submitted to the Board a letter dated November 8th, from the Secretary of War, advising that the Commanding General, First Corps Area, had been given instructions to call upon the Governor of the Federal Reserve Bank of Boston, with a view to making certain arrangements for the protection, in case of need, of the Federal Reserve Bank of Boston by United States military forces stationed in or near Boston.

Noted.

REPORTS OF COMMITTEE NO. 1:

Dated November 8th, Recommending changes in stock at Federal reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

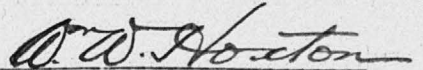
Dated November 7th, Recommending approval of the application of Mr. R. W. Higginbotham to serve at the same time as president and director of the Southwest National Bank of Dallas, Texas, and as president and director of the Farmers & Merchants National Bank of De Leon, Texas.

Approved.

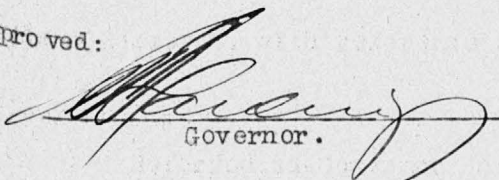
Dated November 7th, Recommending approval of the application of Mr. James D. Murdoch to serve at the same time as director of the Utah State National Bank and as director of the Zion's Savings Bank & Trust Co., both of Salt Lake City, Utah.

Approved.

At 1:15 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.