

A meeting of the Federal Reserve Board was held in the office of the Governor on Monday, March 13, 1922, at 11:00 a.m.

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

PRESENT ALSO:  
Mr. Trowbridge, Consulting Architect of the Board, his Assistant, Mr. Ten Eyck, Mr. Tone of the Carborundum Co., and Mr. Mowery, of the American Abrasive Metal Co.

Governor Harding invited Messrs. Tone and Mowery to present to the Board their reasons for believing that the business of the manufacturers of bank vaults was being jeopardized by information and advice given by Mr. Trowbridge to member banks in reply to inquiries as to the results of the recent vault tests at Sandy Hook,

After full discussion, Messrs. Tone and Mowery withdrew from the meeting, and Mr. Trowbridge was advised of the feeling of the members of the Board that while he should give to inquiring member banks all facts connected with vault tests and the deductions derived from such facts by the Federal Reserve banks with reference to the construction of their own vaults, he should strictly refrain from advising the member banks applying for information as to the type of vault construction they themselves should use.

Upon motion, a recess was taken at 1:30 p.m., the meeting to reconvene at 2:30 this afternoon.

Pursuant to the terms of adjournment, the meeting reassembled at 2:30 p.m.

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

Minutes of the meeting of the Board held March 10th were read and on motion approved.

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business March 9th and 10th.

Memorandum dated March 13th, from the Board's Statistician, submitting a revised form of introductory statement to be used in lieu of the present form of introductory statement appearing in the weekly statement for the press of the condition of Federal Reserve Banks.

Approved, it being directed that the new form be used beginning with the statement of next week, March 23d. Under Secretary of the Treasury, Mr. Gilbert, was present during the discussion of this matter.

Letter dated March 10th, from the Senators from Colorado, urging the Board to authorize the Federal Reserve Bank of Kansas City to proceed with the proposed new building for the Denver Branch.

Upon motion, the Governor was requested to advise the Federal Reserve Bank of Kansas City that the Board interposes no objection to that Bank proceeding with the preparation of plans for the proposed new building of the Denver Branch, with the understanding that said plans are to be submitted to the Board before contracts are made.

Telegram dated March 11th, from the Federal Reserve Bank of Cleveland, advising that the Board of Directors of that Bank had, subject to the review and determination of the Federal Reserve Board, established a minimum rate of  $3\frac{1}{2}\%$  upon open market purchases of bankers acceptances.

Formally approved, having previously been approved by the initials of four members of the Board.

Letter dated March 11th, 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, established a discount rate of  $4\frac{1}{2}\%$  for all paper of all maturities, and a minimum rate of  $3\text{-}7/8\%$  for open market purchases of bankers acceptances.

Upon motion, the Board approved the rate of  $4\frac{1}{2}\%$  on commercial paper, and fixed for the Federal Reserve Bank of Atlanta a minimum rate of  $3\text{-}3/4\%$  on open market purchases of bankers acceptances, with advice to the Federal Reserve Bank of Atlanta that the Board does not look with favor upon the purchase by that Bank of bills not indorsed by member banks.

Letter dated March 11th, from the Railway Loan Advisory Committee of the Federal Reserve Board, recommending approval of the form of obligation submitted by the Cisco and Northeastern Railway Company for a loan of \$31,000, under the provisions of Section 210 of the Transportation Act, 1920, as amended.

Formally approved, having been approved previously by the initials of Board members.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, transmitting a resolution by the Board of Directors of that Bank, taking formal action in the matter of letting contracts, and proceed-

ing with the erection of the proposed new building for the New Orleans Branch, said resolution being in accord with the action of the Federal Reserve Board taken at its meeting March 9, 1922.

Approved.

Letter dated March 11th, from Deputy Governor S. B. Cramer, of the Federal Reserve Bank of Chicago, accepting his appointment to serve on the supplementary committee of the Board's Committee on Internal Economy and Comparative Efficiency of the Federal Reserve banks.

Noted.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, requesting the approval of the Federal Reserve Board for a payment of \$10.00 per meeting to members of the Building Committee of the New Orleans Branch.

Approved.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, requesting approval of the Federal Reserve Board of the proposal to hold at the Birmingham Branch the regular May meeting of the Board of Directors of the Federal Reserve Bank of Atlanta.

Approved.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, requesting approval of the Board to the transfer of Montgomery County, Alabama, from the Atlanta zone to the Birmingham zone, effective April 1, 1922.

Approved.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, with reference to the establishment by that Bank of a member bank relations department.

Noted.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, advising of the wish of the Federal Reserve Bank of Atlanta to send Deputy Governor Campbell to certain bankers' meetings in the sixth district, in lieu of Governor Wellborn, who will not be able to attend said meetings.

Noted, without objection.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, advising of certain changes in personnel at the head office, and the New Orleans, Birmingham and Nashville Branches.

Noted, with approval.

Letter dated March 11th, from the Chairman of the Federal Reserve Bank of Atlanta, transmitting the request of the Board of Directors of that Bank that the Board authorize a payment of \$300. per month to Mr. W. H. Hartford, Chairman of the Board of Directors of the Nashville Branch, effective February 1, 1922, for services rendered during the preliminaries and to be rendered during the construction of the new building for the Nashville Branch.

It was, upon motion, voted to withhold action pending further information.

REPORTS OF COMMITTEE NO. 1:

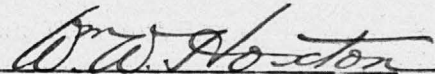
Dated March 10th, Recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

Approved.

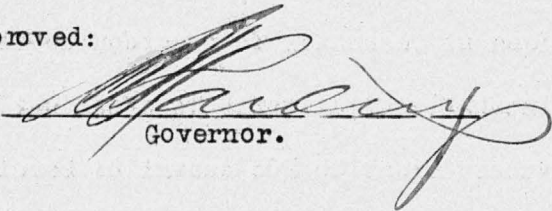
Dated March 13th, Recommending approval of the application of Mr. W. D. Mitchell to serve at the same time as director and officer of the First National Bank of Senger, Calif., and as director and officer of the Valley Bank, Fresno, California.

Approved.

At 4:20 p.m. the meeting adjourned.

  
Secretary.

Approved:

  
Governor.