

Upon call of the Governor, a meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Monday, June 6, 1927, at 3:10 p.m.

PRESENT: The Chairman  
 Governor Crissinger  
 Mr. Platt  
 Mr. Hamlin  
 Mr. James  
 Mr. Cunningham  
 Mr. McIntosh  
 Mr. Eddy, Secretary  
 Mr. McClelland, Assistant Secretary

PRESENT ALSO: Mr. Goldenweiser, Director, Division of  
 Research and Statistics

The Chairman stated that the meeting had been called for the purpose of considering the following letter addressed to the Board by the Deputy Governor of the Federal Reserve Bank of New York:

"Washington, D. C., June 6, 1927.

My dear Governor:

"The National Bank of Poland has advised us that they desire to obtain from the various banks of issue an arrangement for one year for the sale, or in some cases the pledge, of prime commercial bills up to the equivalent of twenty-five million dollars, in connection with the Polish program to stabilize the zloty on a gold exchange basis.

"The directors of the Federal Reserve Bank of New York have expressed their desire to be helpful in connection with the efforts of Poland to return to a gold basis, and after careful consideration they have authorized the officers of the bank to arrange, for a period of one year, for the purchase of not to exceed the equivalent of ten million dollars of prime commercial bills bearing at least two names and endorsed or guaranteed by the Bank of Poland.

"We should very much appreciate the Board's approval of the action of our directors.

Very truly yours,

(Signed) GEORGE L. HARRISON,  
 Deputy Governor."

6/6/27

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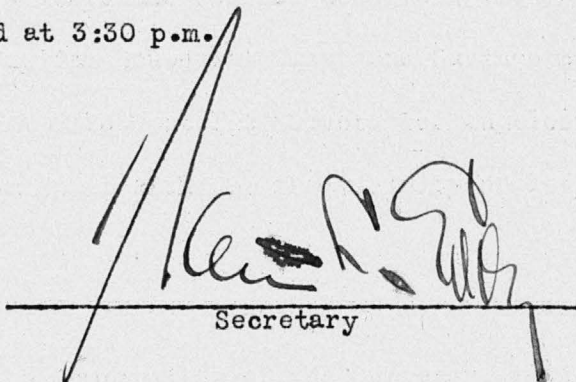
Mr. Hamlin moved that the Board approve the action of the directors of the Federal Reserve Bank of New York, as set forth in the above letter, with the understanding that all Federal Reserve banks desiring to do so may participate in the transaction referred to therein.

Mr. James referred to the discussion by the Board at the meeting on October 5, 1926 with reference to the proposal of the Federal Reserve Bank of New York to charge a commission of 1/2 of 1% in connection with a similar transaction between the New York bank and the National Bank of Belgium, and inquired whether the present proposal provided for a commission to be charged against the Bank of Poland.

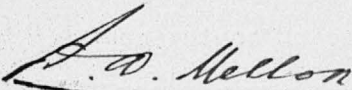
Governor Crissinger stated that from conversation this morning with Deputy Governor Harrison, he understood that a commission of 1/2 of 1% would be charged. He also stated that he understood that all Federal Reserve banks would participate in any commission and any bills purchased from the Bank of Poland.

After discussion, Mr. Hamlin's motion was put by the Chair and carried.

The meeting adjourned at 3:30 p.m.

  
Secretary

Approved:

  
Chairman