



FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas,

November 8, 1920.

FEDERAL RESERVE BOARD RULING OF INTEREST
TO "ACCEPTING BANKS".

There is enclosed herewith a copy of a letter from Governor W. P. G. Harding of the Federal Reserve Board, which expresses the Board's ruling in reference to the eligibility for rediscount and purchase by the Federal Reserve Banks, of bankers' acceptances drawn by dealers engaged in both export and domestic trade.

The ruling expressed in the enclosure is a modification of the Board's ruling made during the war, defining the eligibility of bankers' acceptances based on contracts with the accepting banks' customers, and such modification is necessary by reason of the fact that the Board's revised regulations, Series of 1920, superseded all previous regulations.

Your careful attention is invited to the enclosure in view of the fact that it may be necessary for you to modify existing contracts for acceptance credits with some of your customers, or to take the new ruling into consideration in connection with any new contracts for acceptance credits.

Yours respectfully,

R. L. Van Zandt
Governor