

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, April 6, 1939, at 11:30 a. m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Davis  
Mr. Draper

Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on April 5, 1939, were approved unanimously.

The following resolution was adopted by unanimous vote:

RESOLVED, That Regulation G, Rediscount of Notes Secured by Adjusted Service Certificates, as amended August 10, 1932, is hereby repealed.

In accordance with the above resolution the following letter to the Presidents of all Federal Reserve banks was approved unanimously:

"This refers to the Board's Regulation G, Series of 1932, relating to the rediscount of notes secured by adjusted service certificates.

"It appears from the records of the Board that the Federal Reserve banks do not hold at this time any notes secured by adjusted service certificates and that no such notes have been rediscounted with a Federal Reserve bank for a number of years. In addition, as you know, the law provides for the payment of an adjusted service certificate

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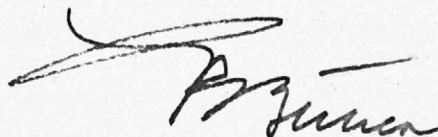
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"by the Veterans Administration at the option of the veteran holding the certificate, and a veteran may obtain from the Veterans Administration a loan on his certificate. While banks may still make loans on the security of adjusted service certificates, it seems improbable, in all the circumstances, that a Federal Reserve bank will be called upon to rediscount a note secured by an adjusted service certificate. Accordingly, the Board has today repealed its Regulation G, Series of 1932.

"In the event that you should receive an application for the rediscount of a note secured by an adjusted service certificate, it is requested that you handle such application under the pertinent provisions of law in the same manner as you would if the provisions of Regulation G were still in effect."

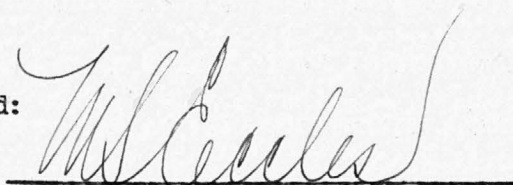
Approved unanimously.

Thereupon the meeting adjourned.



Assistant Secretary.

Approved:



Chairman.