

## EX OFFICIO MEMBERS

CARTER GLASS  
SECRETARY OF THE TREASURY  
CHAIRMAN  
JOHN SKELTON WILLIAMS  
COMPTROLLER OF THE CURRENCY

ADDRESS REPLY TO  
FEDERAL RESERVE BOARD

## FEDERAL RESERVE BOARD

WASHINGTON

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ALBERT STRAUSS, VICE GOVERNOR  
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R. G. EMERSON, ASSISTANT SECRETARY  
W. M. IMLAY, FISCAL AGENT

February 26, 1920.

X-1843

Subject: Purchase of Bills from Accepting Banks.

Dear Sir:-

Referring to Board's letter of February 11th (X-1825) regarding purchases of bills from accepting banks, you are advised that the majority of replies received indicate that the officers of most of the Federal Reserve Banks agree with the Board's view of the matter and that in the majority of cases purchases of acceptances direct from accepting banks which have not the endorsement of another member bank are made at the regular commercial paper rates. In a few cases, however, Federal Reserve banks have purchased acceptances direct from accepting banks at rates about one-half of 1% less than current commercial paper rates.

Please advise the executive officers of your bank that the Board has ruled that all purchases of bills direct from accepting banks which are not endorsed by another member bank must be made at the prevailing commercial paper rate.

Very truly yours,

Governor.

To Chairmen of all F.R. Banks.