

EX OFFICIO MEMBERS

DAVID F. HOUSTON
 SECRETARY OF THE TREASURY
 CHAIRMAN
 JOHN SKELTON WILLIAMS
 COMPTROLLER OF THE CURRENCY

ADDRESS REPLY TO
 FEDERAL RESERVE BOARD

FEDERAL RESERVE BOARD

WASHINGTON

W. P. G. HARDING, GOVERNOR
 ALBERT STRAUSS, VICE GOVERNOR
 ADOLPH C. MILLER
 CHARLES S. HAMLIN
 HENRY A. MOEHLENPAH

W. T. CHAPMAN, SECRETARY
 R. G. EMERSON, ASSISTANT SECRETARY
 W. M. INLAY, FISCAL AGENT

October 18, 1920.

X-2030

Subject: Uniformity in method of handling inter-Reserve Bank transactions through the Gold Settlement Fund.

Dear Sir:

In order to secure uniformity and to eliminate confusion, the Board requests that, commencing as soon as it meets with the convenience of the Federal Reserve Banks, but not later than November 1, 1920, all inter-Reserve Bank transactions through the Gold Settlement Fund, unless otherwise directed by the Board, be made through the daily Gold Fund Clearing, with the following exceptions which shall always be made by direct transfer through the Federal Reserve Board:

1. Payments on account of all inter-Federal Reserve Bank rediscounts, including sales of acceptances whether or not endorsed by the selling Bank when such acceptances have been sold from the portfolio of the selling Bank.
2. All transfers on account of maturing rediscounts and advance payments and rebates of rediscounts.
3. Transfers of funds for account of the Treasurer of the United States.

The above exceptions have been provided to enable the Board to be promptly advised of the effect of large inter-district movements of gold upon the reserve position of the Federal Reserve Banks in connection with the arranging of inter-Reserve Bank rediscounts, and also in order that the Board may be advised of changes in the status of rediscounts between Reserve Banks.

It is also requested:

1. That all telegrams covering payment on account of maturing rediscounts and advance payments and rebates of rediscounts by direct transfers through the Gold Settlement Fund be dispatched to reach the Board not later than 3.30 p.m., (11.30 a.m. Saturdays), Washington time, in order that there may be no necessity for any bank to reopen its books after closing for the day to make entries incident to such transactions.

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2. That all other telegrams to the Board requesting payments to other Federal Reserve Banks by direct transfer through the Gold Settlement Fund be expedited as much as possible.

Very truly yours,

Assistant to Governor.

To Chairmen of all F.R. Banks.