

FEDERAL RESERVE BOARD

WASHINGTON

December 6, 1920.

X-2082

Subject: Proposed Forms of Certificates Evidencing
Eligibility of Acceptances.

Dear Sir:

Sub-division (d) of Section B of Regulation A, Series of 1920, requires that

"A Federal Reserve Bank must be satisfied, either by reference to the acceptance itself, or otherwise, that it is eligible for rediscount. The bill itself should be drawn so as to evidence the character of the underlying transaction, but if it is not so drawn, evidence of eligibility may consist of a stamp or certificate affixed by the acceptor in form satisfactory to the Federal Reserve Bank."

It has been suggested that the form of stamp or certificate adopted by all Federal Reserve Banks be the same, and there is enclosed for your consideration proposed form of certificate for use on each type of acceptance. You are requested to advise the Board whether it will be satisfactory to your bank to adopt the forms proposed and if not you are invited to make such suggestions for modification as you may deem proper.

Very truly yours,

Governor.

To Chairmen and Governors of all F.R. Banks.

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Domestic Shipments:

"At time of acceptance, this bill was accompanied by shipping documents evidencing the domestic shipment of (name of commodity) from (point of shipment) to (place of destination).

(Name of Acceptor) "

Import and Export Transactions:

"This acceptance arises out of a transaction involving (importation) of (name of commodity) (exportation) from (point of shipment) to (place of destination)

(Name of Acceptor) "

Warehouse Secured Credit:

"This bill was secured at the time of acceptance by independent warehouse, terminal, or other similar receipt conveying security title to (name of readily marketable staple) stored in (country where stored) and the acceptor will remain secured throughout the life of the bill.

(Name of Acceptor) "