

## FEDERAL RESERVE BOARD

WASHINGTON

December 16, 1920.  
St. 1653.SUBJECT: Reports of Paper pledged  
with Federal Reserve Agents.

Dear Sir:

With a view to decreasing the amount of work and of simplifying records kept by the Federal Reserve Banks and Agents in connection with the pledge, substitution, and release of eligible paper as collateral security for outstanding Federal Reserve notes, you are authorized, beginning with January 1, 1921, to discontinue furnishing the Board with reports on form BD-22, "Schedule of collateral accepted by Agent as security for issuance of Federal Reserve notes".

Effective as of the same date, paper which is pledged with the Federal Reserve Agent immediately after discount or purchase should be reported on schedules BD-4 and BD-7 separate from those covering paper which is not so pledged, and a statement, signed by the Federal Reserve Agent or his assistant, should be typewritten or stamped on such schedules reading substantially as follows:

"Receipt is acknowledged of \$ \_\_\_\_\_ of eligible paper as reported above against items numbered \_\_\_\_\_ to \_\_\_\_\_ inclusive, to be held as collateral security against outstanding Federal Reserve notes."

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Federal Reserve Agent.

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In case eligible paper is pledged with the Federal Reserve Agent other than at time of discount or purchase a separate schedule, BD-4 or BD-7 as the case may be, covering such pledge should be submitted to the Board. It will be sufficient if these schedules show the number and amount of each item and the date it was discounted or purchased by the Federal Reserve Bank. The schedules should bear across the top in capital letters a statement to the following effect: "Schedule covering eligible paper pledged with Federal Reserve Agent subsequent to date of discount or purchase."

In authorizing the discontinuance of reports on schedules BD-22, the Board desires to state that the records of both the Bank and Agent must continue to be kept in such manner that there will be no difficulty at any time in determining exactly which bills and notes are under pledge with the Federal Reserve Agent.

Very truly yours,

Governor.

(Copy sent to each Federal Reserve Agent)