

FEDERAL RESERVE BOARD

WASHINGTON

November 5, 1921.

X-3241

SUBJECT: Code words to be used in connection with the redemption of United States Special Certificates of Indebtedness deposited to secure Federal Reserve Bank note circulation.

Dear Sir:

In connection with the redemption of United States Special Certificates of Indebtedness deposited by Federal Reserve Banks with the Treasurer of the United States to secure Federal Reserve Bank note circulation, the Board has adopted the code words shown below and requests that they be made effective as of November 15, 1921. These code words should be added to the bottom of page 25 of the new code book following the word "BELLOWING".

(a) To be sent by Board to Federal Reserve Banks in connection with the retirement of certificates against which no circulation is outstanding:

BELLOWS: Secretary of the Treasury advises he will redeem on (date) your special certificate-s of indebtedness (number of certificates) for (amount) pledged to secure Federal Reserve Bank note circulation but against which no circulation is outstanding. In accordance with resolution your Board of Directors passed please forward immediately the necessary request by an officer of your Bank for the withdrawal of the certificate-s to be redeemed. Payment on date of redemption will be made by the Treasurer, U. S., as outlined in Board's letter March 2, 1921, (X-3058).

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(b) To be sent by Reserve Banks to Board in connection with the retirement of certificates against which no circulation is outstanding:

BELLPULL: In accordance with authority contained in resolution of Board of Directors of this Bank passed _____ the Federal Reserve Board, through its duly authorized officer, is authorized to request the Comptroller of the Currency to withdraw special certificate-s of indebtedness (number) (amount) deposited by this Bank with the Treasurer, U. S., to secure Federal Reserve Bank note circulation, but against which no circulation is outstanding, and transfer same to the Secretary of the Treasury for redemption on (date). Upon receipt of telegram from Treasurer we will charge Treasurer's account with principal and accrued interest and forward schedule, Form 912, covering the redemption of the certificate-s.

(c) To be sent by Board to Reserve Banks in connection with the redemption of certificates, and the retirement of a like amount of Federal Reserve Bank note circulation:

BELONG: Secretary of Treasury desires to retire (amount) your Federal Reserve Bank note circulation under provisions of the Pittman Act. He will redeem on (date) your special certificate-s of indebtedness (number of certificate) for (amount). In accordance with resolution your Board of Directors passed _____ please wire immediately necessary request by an officer of your bank for the withdrawal of the certificate-s of indebtedness to be redeemed and instructions to deposit with Treasurer, U. S., face amount of the above certificate-s of indebtedness as a deposit for the retirement of your Federal Reserve Bank notes. When deposit has been made your bank will reduce its liability against Federal Reserve Bank notes as this liability is assumed by the United States. You will be given credit in Treasurer's general account for accrued interest, amount of which will be advised in wire from Treasurer, U. S.

(d) To be sent by Reserve Banks to Board in connection with the redemption of certificates, and the retirement of a like amount of Federal Reserve Bank note circulation:

BELOVE: In accordance with authority contained in resolution of the Board of Directors of this bank passed _____ the Federal Reserve Board, through its duly authorized

officer, is authorized to request the Comptroller of the Currency to withdraw special certificate-s of indebtedness (number) (amount) deposited by this bank with the Treasurer, U.S., to secure Federal Reserve Bank note circulation, and deliver same to the Secretary of the Treasury for redemption (date). Please request that face amount of certificate-s so redeemed be deposited with Treasurer, U. S., for retirement of equal amount of Federal Reserve Bank note circulation of this bank. Upon receipt of telegram from Treasurer we will charge Treasurer's general account with accrued interest and forward schedule, Form 912, covering the redemption of the certificate-s.

Very truly yours,

Walter L. Eddy,
Assistant Secretary.

TO CHAIRMAN OF ALL FEDERAL RESERVE BANKS