

FEDERAL RESERVE BOARD

WASHINGTON

X-3245

November 10, 1921.

SUBJECT: Approval of Federal Reserve Board of certain propositions agreed to at recent Governors' Conference.

Dear Sir:

The Federal Reserve Board has considered the Secretary's minutes of the Conference of Federal Reserve Bank Governors, which was held in this city October 25th-29th, and desires to give its formal approval, which shall have the force and effect of a ruling by the Board, to certain propositions which the minutes show were agreed to by the Governors at their Conference.

Topic I-G. Federal Reserve Banks shall not furnish credit information to member banks or to any other bank, except Federal Reserve Banks, the War Finance Corporation, and the Federal Reserve Board.

Topic II-B-2. The Board concurs in the view of the Governors that all Federal Reserve Banks should discontinue the use of non-responsibility clauses upon bills of lading attached to drafts handled for collection.

Topic II-B-6. The Board concurs in the opinion that exchange should not be deducted by the drawee bank on checks protested and returned for non-payment, even though they be handled as collection items.

Topic II-C-6. The Board concurs in the view of the Conference that immediate credit should be given for "officers' checks" issued by Federal Reserve Banks. The Board assumes that the term "officers' checks" is synonymous with Cashiers' checks issued by member banks.

Topic Supplement II - Treasury Program. The Board has agreed to the proposition that there be appointed by the Treasury Department and the Federal Reserve Board a permanent Currency Committee, composed of three representatives of the Treasury and two of the Federal Reserve Board. The Board has appointed as its representatives Mr. W.L. Eddy, Assistant Secretary, and Mr. W. E. Buell, Chief of the Federal Reserve Issue and Redemption Division. As soon as the Treasury makes its appointments, the Committee will be organized and proceed with its work.

Very truly yours,

G o v e r n o r .