

FEDERAL RESERVE BOARD

WASHINGTON

X-3586
December 14, 1922.

SUBJECT: Amendment to Regulation B.

Dear Sir:

The Board has voted to amend Regulation B by adding at the end of Part II of said Regulation a new paragraph reading as follows:

"(c) A bankers' acceptance drawn by a grower, or by a cooperative marketing association composed exclusively of growers, of non-perishable, readily marketable, staple agricultural products, to finance the orderly marketing of such products grown by such grower or growers and secured at the time of acceptance by a warehouse, terminal, or other similar receipt, issued by a party independent of the borrower and conveying security title to such products, may be purchased if it has a maturity at the time of purchase not in excess of six months, exclusive of days of grace; provided, that the acceptor remains secured throughout the life of the acceptance, and that the acceptance conforms in other respects to the relevant requirements of Regulation A".

It is believed that this amendment is self-explanatory, but its purpose and effect will be further explained in a letter of transmittal to be issued along with the printed copies of Regulation B as amended, a supply of which will be sent to all Federal Reserve Banks as soon as it can be printed.

By order of the Federal Reserve Board.

Very truly yours,

Wm. W. Hoxton,
Secretary.

To Governors and Chairmen of all
Federal Reserve Banks.