

## F E D E R A L R E S E R V E B O A R D

## STATEMENT FOR THE PRESS

For release in Morning Papers,  
Friday, August 3, 1923.

At a meeting of the Federal Reserve Board on August 1st, Charles DeB. Claiborne, representing the Committee of Five on Exchange of the American Bankers' Association, presented and discussed in detail the so-called "Claiborne-Adams Check Collection Plan," designed to supersede the regulation of the Federal Reserve Board governing the collection of checks by the Federal reserve banks.

The session was attended also by the Governors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Chicago and Richmond. Following a discussion of the plan by Mr. Claiborne, the matter was referred by the Federal Reserve Board to an advisory committee composed of the Governors of the banks named. The so-called "Claiborne-Adams Check Collection Plan" and the report of the advisory committee of Governors of the Federal Reserve Banks in their entirety are attached.

The Federal Reserve Board, in accordance with the recommendation contained in the report of the advisory committee of Governors, directed all Federal Reserve Banks to discontinue the use of agents other than banks for the purpose of making collections at par of items drawn upon non-remitting banks. No action was taken by the Board looking to the adoption of the proposed collection plan, nor on that portion of the Governors' report which relates to the plan. The Federal Reserve Board has referred both the proposed collection plan and the Governors' report to the Federal Advisory Council for consideration and report thereon to the Board at the next Council meeting, which will take place some time in September. The Federal Advisory Council is composed of twelve members, one from each Federal Reserve District and is representative of the public.