

## FEDERAL RESERVE BOARD

I-4343

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARD

May 29, 1925.

Dear Sir:

In the absence of Mr. Wyatt, I am enclosing for your information a copy of the opinion rendered May 25th by the Supreme Court of the United States affirming the decision of the United States Circuit Court of Appeals in the case of D. S. Sowell v. Federal Reserve Bank of Dallas. I think you will find this decision particularly interesting because it involves the following points, all of which are of special interest to the Federal reserve banks:

1. Applicability of the "assignee clause" on Section 24 of the Judicial Code to a suit arising under the laws of the United States.
2. Effect of a provision in a promissory note that the maker waives protest, notice thereof and diligence in collecting.
3. Whether a suit by a Federal reserve bank to enforce a note held by it as "collateral security" to secure the indebtedness of a member bank to it must be stayed until it can be determined whether the other collateral held by the Federal reserve bank is sufficient to pay the indebtedness of the member bank.

Very truly yours,

George B. Vest,  
Assistant Counsel.

**Enclosure:**