

FEDERAL RESERVE BOARD

X-4879 431

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

June 20, 1927.

CONFIDENTIAL

SUBJECT: Code words to be used by Federal Reserve Bank of New York
in advices re Bank of England Account.

Dear Sir:

In order to reduce the length of telegrams between the Federal Reserve Bank of New York and other Federal reserve banks in connection with participation in the Bank of England account, it has been suggested that additional code words be supplied from the Federal Reserve Telegraph Code.

The Board has approved this suggestion, and effective at once, the following code words will be used between the Federal Reserve Bank of New York and other Federal reserve banks in the messages referred to:

KISSABLE: We have today sold from gold held abroad for which we have received payment in sterling equivalent to a dollar value of \$_____, your participation being \$_____. Please make entry on your books as follows: Debit: Participation in due from foreign banks-Bank of England \$_____ Credit: Participation in gold held abroad \$_____.

KISSED: The Bank of England has today made investments for our account in sterling bills having a face dollar value of \$_____. Your participation amounts to \$_____. Make following entry on your books:
Debit: Investments through foreign banks \$_____
Credit: Due from foreign banks-Bank of England \$_____.

KISSING: Your proportion of daily accrual on investments through foreign banks beginning (date)_____ is \$_____ daily. Until further notice we shall credit you daily through settlement with this amount. Charge us and credit appropriate earning account.

KITCHEN: Today's maturities of bills held in account "Investments through foreign banks" amount to \$_____ (in excess of the amount being reinvested in other sterling bills). Your proportion of this reduction in the account is \$_____. Make entry on your books as follows:
Debit: Participation in due from foreign banks-Bank of England \$_____ Credit: Participation in investments through foreign banks \$_____.

KITTENISH: The Bank of England is employing at interest sterling having a dollar value of \$_____. Your proportion is \$_____. Make entry on your books as follows: Debit: Participation in due from foreign banks-Bank of England special interest account \$_____ Credit: Participation in due from foreign banks-Bank of England \$_____.

KITTISH: The amount of our sterling balance with the Bank of England employed at interest has been reduced to the extent of a dollar value of \$_____, your proportion being \$_____. Make entry on your books as follows: Debit: Participation in due from foreign banks-Bank of England \$_____ Credit: Participation in due from foreign banks-Bank of England special interest account \$_____.

KLICK: Bank of England advise that they have credited our account with sterling having a dollar value of \$_____, representing interest at _____% on the employed balance of our account for the week ended _____. Your proportion is \$_____. Make following entry on your books: Debit: Participation in due from foreign banks-Bank of England \$_____ Credit: Miscellaneous Income, or other appropriate account \$_____.

These words should be inserted in the Federal Reserve Telegraph Code, following the supplemental code word "JUSTNESS" at the bottom of page 130.

There are enclosed herewith a sufficient number of extra copies of this letter to enable you to insert these code words in all of the code books in the possession of your bank.

Very truly yours,

Walter L. Eddy,
Secretary.

TO GOVERNORS OF ALL F. R. BANKS.