

**FEDERAL RESERVE BOARD**

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARD

August 30, 1928.

SUBJECT: Amendment to Regulation A, Series of 1928.

Dear Sir:

This is to advise you that Sub-division (d) of Regulation A, Series of 1928, relating to rediscounts by Federal reserve banks for intermediate credit banks, has been amended to read as follows:

"(d) Discounts for Federal intermediate credit banks.- Any Federal reserve bank may discount agricultural paper for any Federal intermediate credit bank; but no Federal reserve bank shall discount for any Federal intermediate credit bank any such paper which bears the indorsement of any nonmember State bank or trust company which is eligible for membership in the Federal reserve system under the terms of section 9 of the Federal Reserve Act as amended. In discounting such paper each Federal reserve bank shall give preference to the demands of its own member banks and shall have due regard to the probable future needs of its own member banks. Except with the permission of the Federal Reserve Board, no Federal reserve bank shall discount paper for any Federal intermediate credit bank when its own reserves amount to less than 50 per cent of its own aggregate liabilities for deposits and Federal reserve notes in actual circulation. Except with the permission of the Federal Reserve Board, the aggregate amount of paper discounted by all Federal reserve banks for any one Federal intermediate credit bank shall at no time exceed an amount equal to the paid-up and unimpaired capital and surplus of such Federal intermediate credit bank."

The Federal Reserve Board is desirous that no public or other announcement of this amendment be made at this time.

By order of the Federal Reserve Board.

Very truly yours,

E. M. McClelland,  
Assistant Secretary.

TO CHAIRMEN AND  
GOVERNORS OF ALL F.R. BANKS.