

FEDERAL RESERVE BANK OF SAN FRANCISCO

March 15, 1941

Mr. John K. McKee,
Member, Board of Governors
of the Federal Reserve System,
Washington, D. C.

Dear Governor McKee:

There is enclosed a copy of a letter addressed under date of March 14, 1941, by Chief National Bank Examiner Irwin D. Wright to the Comptroller of the Currency, together with all the enclosures therein referred to.

The written requirements (dated March 6, 1940) submitted by the Comptroller of the Currency to the Bank of America N. T. & S. A. on March 7, 1940, were agreed upon unanimously by representatives of the Treasury (Under Secretary and Comptroller of the Currency), the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System.

Mr. West, as a member of the committee designated to carry out the provisions of Paragraph 5 of the requirements, could not subscribe to the recommendations made by the committee to the Comptroller of the Currency, because such recommendations were not in conformity with the instructions contained in the aforementioned requirements of the Comptroller of the Currency.

A copy of this letter is enclosed for the use of Chairman Eccles. Exhibit "A" referred to in the Bank of America's letter has not so far been received but will be in the course of the next day or so, when a copy will be forwarded to you.

Yours very truly,

John A. Beck
First Vice President.

Enclosures.

COPY TO: Chairman Eccles. ✓

March 14, 1941.

Comptroller of the Currency,
Treasury Department,
Washington, D. C.

Dear Sir:

There are enclosed for your consideration and final disposal the following:

1. A letter dated March 11, 1941, from Mr. Russell G. Smith, Executive Vice President of the Bank of America National Trust and Savings Association, incorporating a proposal for the depreciation of banking premises aggregating \$2,000,000.00 during the year 1941;
2. A copy of a memorandum prepared by me, addressed to Mr. Wm. P. Funsten, Supervising Examiner, Federal Deposit Insurance Corporation, Twelfth Federal Reserve District, and Mr. R. B. West, Vice President of the Federal Reserve Bank of San Francisco, who is acting on a Committee in the capacity of nominee for Mr. Ira Clerk of the Federal Reserve Bank of San Francisco; and
3. A recommendation addressed to you, signed by Mr. Wm. P. Funsten, Supervising Examiner, Federal Deposit Insurance Corporation, Twelfth Federal Reserve District, and myself as a majority of the Committee named in Paragraph Five of the Comptroller's "Requirements" dated March 6, 1940.

This recommendation, as you will observe, is not unanimous as Mr. West is of the opinion that the method proposed is a substitute for that prescribed by Paragraph Five of the aforementioned "Requirements," and he feels that he is without proper authority to acquiesce unless the original instructions are amended.

You will also observe by our recommendation that it has been impossible for the various members of the Committee to act in unity due to a misunderstanding as to the proper interpretation of the instructions. Mr. Funsten and I being of the opinion that the settlement herein proposed meets substantially all requirements and feeling that the entire matter should be terminated have subscribed to the plan which I hope will be acceptable to your office.

Very truly yours,

IRWIN D. WRIGHT
Chief National Bank Examiner
Twelfth Federal Reserve District