

# CHEMICAL BANK & TRUST COMPANY

165 BROADWAY

NEW YORK

WILLIAM S. RENCHARD  
ASSISTANT SECRETARY

February 5, 1940

Honorable Marriner S. Eccles  
Federal Reserve Board  
Washington, D. C.

Dear Governor:

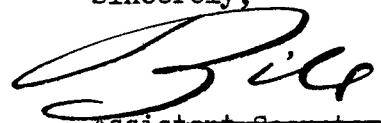
I have been intending to drop you a note to tell you how pleased I was to learn of your appointment as Chairman of the Board of Governors of the Federal Reserve System for an additional four-year term. I believe I have heard you mention on more than one occasion that you desire to return to private life, but I am glad to know that the Board is going to have the benefit of your leadership for this further period.

Now I wonder if I may presume on your good friendship to the extent of asking a favor of you. Philip Holden, who represents us in the far Western Territory tells me that he has on several occasions discussed with Mr. Charles Smith the possibility of our serving as New York correspondent for the First National Bank of Salt Lake City. Mr. Smith has indicated to him that he would look with favor upon such a connection, and I feel sure that a word from you would do the trick.

As you know, we do not have accounts from any of your family interests at the present time, and it would give us a great deal of pleasure to have this association established.

Looking forward to seeing you in Washington sometime soon, and with kind personal regards,

Sincerely,

  
~~Assistant Secretary~~

W. S. R.

February 12, 1940

Mr. William S. Kenchard  
Assistant Secretary  
Chemical Bank and Trust Company  
165 Broadway  
New York, New York

Dear Bill:

It was nice of you to write me under date of February 5 to say that you were pleased to learn of my reappointment as chairman of the Federal Reserve Board. I am not sure that it is an occasion for unmixed gratification on my part as I still have a desire to return to private life. However, I am hoping that my additional tenure here will permit me to accomplish something for the good of the country and in particular for the continued usefulness of banking in our economy.

In your letter you make the suggestion that I speak a good word to Mr. Charles Smith, president of the First National Bank of Salt Lake City, regarding an account with the Chemical. While I would be glad to make a friendly gesture in behalf of you and your bank, I feel that it would not be proper for me to attempt to influence the present heads of the banks with which I was formerly connected in their administration of their institutions. No doubt the New York account maintained by the First National of Salt Lake is based upon long standing relationships and while it might be practicable at the moment for this business to be divided, I have always felt that correspondent balances should not be so numerous that under conditions where such accounts might form the basis of credit demands, or other services they would have to be consolidated in order to entitle the country bank to the required accommodations.

With best wishes, I am

Sincerely yours,

M. S. Eccles,  
Chairman.

Received  
Chairman

FEB 6 - 1940

Board of Governors  
of the  
Federal Reserve System