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# Bank of America

NATIONAL TRUST AND SAVINGS ASSOCIATION

SAN FRANCISCO HEADQUARTERS

L. M. GIANNINI  
PRESIDENT

SAN FRANCISCO, CALIFORNIA

March 19, 1942.

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

Dear Marriner:

Doubtless you are familiar with the fact that the Comptroller wrote to us recently about the retirement of preferred stock, and I know that in one of our discussions sometime ago you also mentioned the subject, so I am sending you a copy of my reply to the Comptroller's letter to us on the subject. I think you will be interested to note that far less than all of the funds that are available for retirement of preferred stock have been employed for that purpose. On December 31, 1941, there was \$14,500,000 available of which only \$3,500,000 was used.

I would like to call your particular attention to the last paragraph on page 4 of my letter to the Comptroller which discloses the fact, if we are to accept the Comptroller's 1939 adjusted figures, that our capital structure has increased about \$40,000,000 in the period from March 31, 1939 to December 31, 1941, and in the same period, including the preferred stock, it has increased by \$67,000,000. I doubt if there is any large bank in the country that has done as well.

No doubt, you will be interested also to note the fact that the total doubtful and loss classification of \$3,300,000 in the last examination report had been reduced to \$1,300,000 by the end of the year.

All in all, I think we have made a very good showing and I thought you would be interested.

My kindest regards and very best wishes to you.

Very sincerely yours,

