

George J. Knox  
Superintendent of Banks

William J. Murphy  
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STATE BANKING DEPARTMENT  
OF CALIFORNIA

San Francisco, October 5, 1942.

Federal Reserve Board,  
Washington, D. C.

Gentlemen: Attention Mr. Chester Morrill.

It seems strange that I have not even had the courtesy of a reply to my letter of September 3rd and follow-up letter of September 14th regarding the proposed branches of the First Trust & Savings Bank of Pasadena. My previous letter was under date of August 10th, which was in answer to yours of August 6th, so you can see a considerable lapse of time has gone by. Your letter of August 6th was in answer to mine of July 28th, and at that time you stated that the matter "is being brought to the attention of the members of the Board of Governors".

It seems to me that since the receipt of my letter of July 28th and supplemental letters, that sufficient time has elapsed within which the matter could have been presented to the Board and a decision reached. I know that this is a very important problem but in the interests of all concerned, I feel that an early decision should be forthcoming.

It is imperative that I determine this matter one way or another in the immediate future. I have already granted my commitment as to these two locations and it is now incumbent upon me to say to the bank that the license will issue, and while I realize that because of the membership of the institution in the Federal Reserve Bank, they would under the law be prevented from opening them, yet at the same time I feel that if without membership in the system they could open at these locations, upon this fact being made known to the bank they might consider such a program. Therefore, please give me an early response and consider all factors heretofore presented by me, and upon receipt of your decision I will then determine just what policy will be established by me in the future. I am anxious to have this at an early date so that whatever policy may be established will only be after full recognition has been given to the position taken by all who may have authority in the matter.

Yours very truly,

(signed) Geo. J. Knox

Superintendent of Banks.