

C O P Y

War Loans Committee

December 23, 1943.

Mr. Clayton

Mr. Hancock telephoned me at 11:30 this morning to report on the progress of the preliminary draft of the plan for financing contract termination and for other financing measures, also regarding the proposed conference here of a group of bankers to advise with him respecting the plan.

As to the plan itself, I asked him whether or not he had gotten far enough along with it to submit a draft to us, to which he replied that some of our people must have seen it, as he had a group putting it into final form (for the tentative draft) and that a Federal Reserve man was in the group. I told him that I thought perhaps he might have confused us with some other agency, the R.F.C., perhaps, as I felt sure that none of our staff was working with such a group. While I held the 'phone he checked and said that I was correct, that it was the R.F.C. which was in the group.

He then explained that the bulk of the document would be concerned with contract termination and the disposal of surplus materials, and for that reason the R.F.C. had been asked to participate with the Armed Services. However, he volunteered at once to ask Major Rose at the War Department to send me a copy of the document as it now stands.

Mr. Hancock said that he was leaving for New York today for the week-end but that he would expect to call a meeting of the interested agencies about next Tuesday, after he returns from New York. He would want us at the meeting and at that time he would be very glad to have our suggestions and criticisms.

As to the group of bankers to be called in, he hoped that the text of the plan could be agreed upon as the result of the Tuesday meeting, so that drafts could be sent promptly to the bankers on a confidential basis and a meeting scheduled at the time these drafts are sent out.

I again reminded him of the Chairman's invitation to use the Board Room, also to issue the invitation to the bankers if he preferred. He replied that he expected to use the Board Room, but as to the other details, we could decide that on next Tuesday.

(Signed) Lawrence Clayton

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