

JUN 24 1947

Mr. John J. McCloy, President,
International Bank for Reconstruction
and Development,
1818 H Street, N. W.,
Washington, D. C.

Dear Mr. McCloy:

For your information, there is enclosed a copy
of a letter which has been sent to all Federal Reserve
Banks advising them that State banks which are members
of the Federal Reserve System may purchase debentures
of the International Bank for Reconstruction and Develop-
ment.

Sincerely yours,

(Signed) M. S. Eccles

M. S. Eccles,
Chairman.

Enclosure

WLH:jc
6-19-47

MR. ECCLES



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

JUN 24 1947

Dear Sir:

For your information, the following statement will appear in the July issue of the Federal Reserve Bulletin with respect to the purchase by member banks of debentures of the International Bank:

"The Treasury Department on May 29, 1947, issued the following press release No. S-347:

"It was announced today by Preston Delano, Comptroller of the Currency, that national banks may purchase the debentures of the International Bank for Reconstruction and Development up to the full legal limit of ten per cent of their capital and surplus.

"In view of the provisions of section 9 of the Federal Reserve Act and of section 5136 of the U. S. Revised Statutes, State banks which are members of the Federal Reserve System may likewise purchase debentures of the International Bank up to ten per cent of their capital stock and surplus subject, of course, to any applicable provisions of State law."

Very truly yours,

(Signed) S. R. Carpenter

S. R. Carpenter,
Secretary.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS