

FEDERAL RESERVE BANK
OF
ST. LOUIS

June 16, 1937

Honorable M. S. Eccles
Board of Governors of the
Federal Reserve System
Washington, D. C.

My dear Mr. Chairman:

I have just come from our regular meeting of the Board of Directors of the bank. I am very happy to be able to report that the Board of Directors, by unanimous vote, passed a resolution which approves the recommendation made by the Executive Committee in the report which I read to you and President Martin in Washington last Tuesday.

After the Board had taken action on the matter, we had Mr. Martin in to our executive session. I told him that I had reported to the Board as completely as possible what transpired at our conference with you. I didn't go over the matter again in detail, but told him that I had reported to them his expression of willingness to cooperate wholeheartedly with the Board's plans and purposes. I thought there might be some accumulated after-effect of our conference which might come out before the Board. There was no sign of any such thing. He again reiterated his desire and purpose to cooperate, expressed his satisfaction that the Board had taken hold of a situation which had long given him some concern, and said further that his sole purpose during the next three and a half years would be to contribute everything he could and to cooperate fully with the Board and with me to do the very best possible job that could be done for the bank. I am very glad to be able to tell you that I think Mr. Martin handled himself quite well through a rather trying situation.

I was especially gratified at having the action of the Board unanimous. It was something more than a unanimous vote. Each one of the men, Mr. Nahm, Mr. Plunkett, Mr. Sturdivant and Mr. Dillard, expressed themselves as being very happy over the outcome and very much pleased that they had been able to agree that the proposed action was sound and right. I am sure they were very sincere in their expressions.

I'll not burden you with any further details of the transaction except to say that it could not have been so quickly and easily terminated satisfactorily if it had not been for the very splendid assistance you gave in the matter. It was grand of you to find time in a very busy period to have the conference with Mr. Martin and myself. You did a perfect job in the conference. I am under great obligation to you.

Very truly yours,

N. J. Nardin

WTN:AS