

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

# Office Correspondence

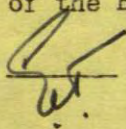
Date June 30, 1938.

To Members of the Board

Subject: \_\_\_\_\_

From Mr. Thurston

As the attached letters are typical of the very large number received and reflect a large cross-section of opinion with reference to bank examination and investment policy, the Chairman asked that they be circulated for the information of the Members of the Board.



Governor Ransom ..... ✓

Governor Szymczak ..... ✓

Governor Davis ..... ✓

Governor McKee ..... ✓

Governor Draper ..... ✓

# COPY

for  
M.S.Eccles

April 14, 1938.

MR. GEORGE J. CLARK, Vice President,  
Third National Bank & Trust Company,  
Springfield, Massachusetts.

Dear Mr. Clark:

I have just received the March and three months' statement for Hampstead & Radnor and you, no doubt, have received the same. You will note that the income of Hampstead has doubled for these three months over the same three months of 1937, and the same is true for Radnor. In other words, the quarter's earnings, over all charges including taxes, insurance and interest, have increased from \$2,300 to \$4,500.

The only item that needs any comment is the new item - Assets of Hampstead - Suspense \$13,338. This is the cost of the new heating plant, which is figured to pay for itself in five years. You will also note that we set up cash for payment of principal of mortgage - on the assets side - a little smaller than last year. This is due to reduction in the sinking fund, by reason of the fact that we are paying one-half the amount we paid last year, by agreement with the Boston Five Cents Savings Bank.

Incidentally, I think it would be well to advise the bank examiner that the mortgages are held by the Boston Five Cents Savings Bank and that they would not have reduced the sinking fund payment unless they felt it was pretty good; and also reduce the rate of interest.

Yours very truly,

(Signed) Chas. H. Tenney

CHT/S

# FEDERAL RESERVE BANK OF CHICAGO

230 SOUTH LA SALLE STREET

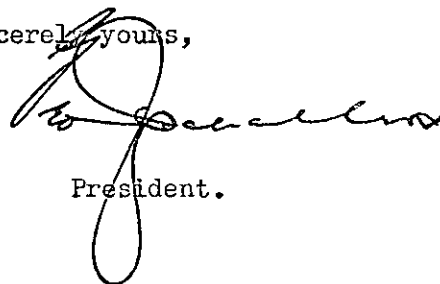
OFFICE OF THE PRESIDENT

June 17, 1938.

Dear Governor Eccles:

Just a line to compliment you on your letter to Senator Vandenburg under date of the 14th instant, appearing in today's press. Coming at this time, it is not only a good defense for our member and nonmember banks, but shows the advanced and practical position being taken by the Board of Governors. It is receiving very favorable comment both from bankers and the public.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "W. C. C. C.", written in dark ink. The signature is positioned above the typed name "President." and is partially overlapping the word "Sincerely yours,".

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

The Piser

This is  
more up your  
alley,

Via

TO Dr. Wedenweiser

FROM \_\_\_\_\_

Mr. Longstreet

REMARKS:

The Chairman asked  
 me to pass this on to  
 some expert in your  
 Division, who might  
 suggest an appropriate  
 reply.

EET

There is a long history of  
 attempts to do this - started  
 really by B & F Committee in 1932 -  
 Failure due primarily to (1) Custom &  
 (2) decrease demand for strictly trade  
 credits - now  
 otherwise financial.

June 23, 1938

Mr. G. J. Schaller, President  
Federal Reserve Bank of Chicago  
Chicago, Illinois


Dear Mr. Schaller:

Your note of June 17 with reference to my recent letter to Senator Vandenberg is very much appreciated. I am interested to know that it received favorable comment in your community, particularly because much of the attendant publicity surrounding the current negotiations was exaggerated and unwarranted, and entirely misleading. However, in spite of this, I think the results will fully justify the position which we have taken here.

Again thanking you for your courtesy in writing me and with kind personal regards, I am

Sincerely yours,

M. S. Eccles,  
Chairman.

 M. S. Eccles