

THE CANANDAIGUA NATIONAL BANK AND TRUST COMPANY

GEORGE W. HAMLIN
PRESIDENT

CANANDAIGUA, N.Y.

July 16, 1938.

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

Dear Mr. Eccles:


I am very grateful for your letter of July 12th and especially for your statement in its last paragraph as to the philosophy behind the new rules.

If the Examiners in the field can be induced to apply your philosophy in making all future examinations, I believe banking of our type will hereafter be on a much more safe and sound basis than ever before and be a somewhat more agreeable occupation for those in positions of responsibility than it has been during most of the time since 1930.

I discussed the application of the new rules to our bank with Mr. Gidney and Mr. Rounds of your New York office on Tuesday last and also with some of my friends at the Chase National Bank and the Irving Trust Company and we are all in agreement that the valuation rule will be of great protection to us in case of any future abrupt decline in market quotations.

I greatly appreciate your taking the time to write me so fully in explanation of the matter.

Sincerely yours,



President.

GWH/mhs