

May 13, 1938.

Dear Cy:

The Chairman asked me to be sure to send you this morning a copy of the talk he is giving this afternoon before the New Jersey Bankers Association. I am enclosing a couple of copies.

If and when you have a chance to look at it, I would appreciate having your off-the-record opinion about it.

Sincerely yours,

Mr. Cyril B. Upham,
Treasury Department,
Washington, D. C.

enclosures

ET:b



TREASURY DEPARTMENT

WASHINGTON

May 16, 1938

Dear Elliott:

Thank you very much for your note of May 13th and the accompanying copies of the speech which Chairman Eccles made at Atlantic City on that date.

You asked for my off-the-record opinion about it. I was particularly interested in his statement that the Comptroller's Regulation governing investment policy of banks needs to be brought into conformity with changed conditions and modern requirements of business and industry.

As you know, we are now engaged in an attempt to revise the Comptroller's Regulation in a way to meet criticisms which have been made of it and to do pretty much what the Chairman suggests. Translation of that general objective into specific language is being found difficult. We have asked the Federal Reserve Board, through Mr. Paulger, and the FDIC, through Mr. Nichols, for suggestions for changes in the Regulation. Study is being given to this problem by the Comptroller's Office and by others in the Treasury as well. It is my ~~opinion~~ *hope* that our combined efforts will lead to something before the week is out.

Sincerely yours,

C. B. Upham
Assistant to the Secretary

Mr. Elliott Thurston,
Special Assistant to the Chairman,
Federal Reserve Board,
Washington, D. C.