

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor on Wednesday, June 13, at 5.15 p.m.,

PRESENT:

Mr. Harding,	Mr. Miller,
Mr. Warburg,	Mr. Willis, Secretary.
Mr. Delano,	

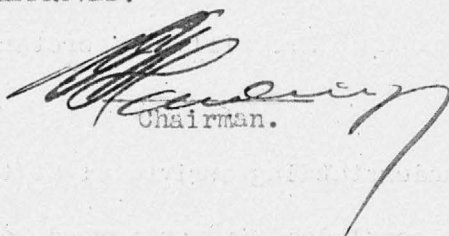
Pursuant to the understanding arrived at at the meeting of the Board just concluded, it was agreed to transmit to Federal reserve banks a telegram with reference to the recent statement of the Comptroller of the Currency, as follows:

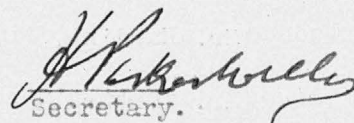
"To avoid any possible misunderstanding, the Board points out that Comptroller's statement and instructions to Chief Examiners must not be construed as expressing in every particular the views of all members of the Board. Inasmuch as Comptroller's suggestions deviate in some respects from the policy previously announced by the Board and might offend member banks which have been most active in carrying out the Board's policy of a wide distribution of the loan, it appears advisable that Federal Reserve agents do not officially cooperate with Chief Examiners as suggested. Such cooperation might be construed as committing both the Federal Reserve Board and the Federal Reserve Banks, particularly as to the amount of loans that member banks might expect. Not for publication."

The proposed telegram was shown to the Comptroller of the Currency, being thereupon transmitted.

On motion, at 5.30 p.m. the Committee adjourned.

APPROVED:


Chairman.


Secretary.