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FEDERAL RESERVE BOARD
WASHINGTON

X-3683
April 4, 1923.

SUBJECT: Reporting violations of criminal statutes by employees
of Federal Reserve Banks.

Dear Sir:

It appears that the Federal Reserve Banks have in some cases failed to report promptly violations of the criminal provisions of Section 22 of the Federal Reserve Act, and Sections 5208 and 5209 of the Revised Statutes.

As this is a matter within the jurisdiction of the Department of Justice, the Federal Reserve Board feels that neither it nor the Federal Reserve Banks should undertake to decide whether or not such offenders should be prosecuted but that every violation should be reported to the Department of Justice for such action as it may deem advisable.

You are requested, therefore, to report the facts in all cases of violations of Section 22 of the Federal Reserve Act or Sections 5208 or 5209 of the Revised Statutes coming to your notice to the local United States District Attorney and also to send a full report of the matter to the Federal Reserve Board. This report to the Board should be made in duplicate in order that the Board may transmit a copy of the report to the Department of Justice which may then take such action as it considers advisable in each case. In making such reports it would not be improper to recommend clemency for the offenders in those cases where you feel that the circumstances justify such a recommendation.

By order of the Federal Reserve Board.

Wm. W. Hoxton,
Secretary.

To all Federal Reserve Agents.