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FEDERAL RESERVE BOARD

WASHINGTON

August 18, 1923.

X-3814.

SUBJECT: Report of Insurance Committee to Last Governors' Conference.

Dear Sir:

The last Governors' Conference, held March 26-29, 1923, considered a report made to the Conference by a special "Insurance Committee" on the subject of self-insurance for Federal Reserve Banks. This report embodied a proposed plan for self-insurance of the so-called fidelity or bankers' blanket bond risks in excess of an amount of \$500,000, for which sum it was recommended that the banks continue to purchase insurance, for the time being at least.

This report was approved by the Governors' Conference and referred to the Federal Reserve Board. Since then, the Board, through its Committee on Economy and Efficiency, has been considering the general subject of insurance, and the Committee has obtained data from all banks concerning insurance carried.

In this connection, there is enclosed herewith a copy of the report referred to above, which it is requested be submitted to the Board of Directors of your bank for their consideration and such recommendation or action as they may think advisable. It is desired, if possible, that a definite decision regarding the plan proposed be reached by all banks, and transmitted to the Board, before the next Governors' Conference, the date of which has been set for November 12th, next.

By order of the Federal Reserve Board.

Very truly yours,

Wm. W. Hoxton,
General Secretary.

Enclosure.

TO CHAIRMEN OF ALL BANKS.