

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

June 6, 1924

X-4074

SUBJECT: Payment of Dividends on June 30, 1924.

Dear Sir:

Will you kindly accompany your usual mid-year dividend resolution, which should reach the Board not later than June 27, with the following statements:

1. Unpaid indebtedness of closed banks to Federal reserve bank, giving names of the banks, indebtedness of each, character of security, if any, and estimated losses;
2. Indebtedness to Federal reserve bank of member banks which are considered to be in an unsafe condition, giving names of the banks, indebtedness of each, character of security, if any, and probable losses.

In view of the fact that the earnings of the Federal Reserve System as a whole are now not much in excess of expense and dividend requirements, the earnings of some of the Federal reserve banks during the current six month period may not be sufficient to cover current expenses, depreciation in the assets of the bank, probable losses and dividend requirements, and accordingly such banks will have to modify somewhat the second paragraph of the form of dividend resolution accompanying the Board's letter St. 3557 of June 12, 1923.

Following the custom adopted two years ago, the books of the Federal reserve banks will not be closed on June 30 of this year, nor will any reserves be set up at that time to take care of depreciation in the assets of the bank, to cover losses on paper of suspended banks, or for other purposes.

By order of the Federal Reserve Board.

Very truly yours,

Walter L. Eddy,
Secretary.

to Chairman of each Bank.