

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

X-4409

August 25, 1925.

SUBJECT: Bank Suspensions and Insolvencies.

Dear Sir:

In view of the importance attaching to statistics relating to bank suspensions and insolvencies, the Board is desirous of obtaining more uniform and more detailed reports on the subject.

You are requested, therefore, not only to advise the Board as heretofore by telegram of all banks, whether incorporated or unincorporated, which are declared insolvent, or are closed to the public by order of supervisory authorities or by the voluntary action of the directors on account of financial difficulties (regardless of the ultimate disposition of the institution) but also to furnish as soon as possible detailed information concerning each suspension or insolvency on form No. X4401 of which a supply is being forwarded under separate cover. Kindly continue to advise the Board by telegram of all banks formerly reported as suspended or insolvent that have resumed operations, and as soon as possible report on form No. X4402 (which is also being furnished you) the termination of each suspension or insolvency. A report on form No. X4402 should be submitted for each closed bank within two months of the date of closing, and in case final information is not then available, the report should be marked "preliminary" and another be submitted at a later date.

There is enclosed a list of suspended banks made up from our record of reports for the year 1924 and the first 7 months of 1925. Will you please correct or confirm this list and complete the indicated information at an early date.

It is realized that there may be difficulty in obtaining complete data for nonmember banks, but the Board will appreciate your rendering as full a report as possible. In order to do this it will be necessary to obtain information from state authorities, who, it is believed, will be willing to cooperate in a constructive study of bank

failures. In cases where all the desired information cannot be obtained from state officials, please give such information as is available to you from other sources, indicating that it is unofficial.

Very truly yours,

Walter L. Eddy,
Secretary.

(Enclosure)

TO ALL F. R. AGENTS.