

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

X-6320

June 3, 1929.

SUBJECT: Preservation of member bank records.

Dear Sir:

There is enclosed herewith a copy of a letter received by the Board from the Department of Justice, stating that special accountants of the Department assigned to investigate alleged violations of the Federal criminal statutes at member banks of the Federal Reserve System not infrequently find difficulty in locating the records to support the charges and suggesting that this condition would be remedied if such banks were to preserve all bank records for the period of the statute of limitations, that is, three years. There is also enclosed a copy of the Board's reply to this letter.

As stated in the Board's letter to the Attorney General, under the provisions of the Federal Reserve Act it is not within the jurisdiction of the Board or of the Federal reserve banks to direct or to request the member banks of the Federal Reserve System to preserve their records for any stated period for the purpose mentioned. The Board suggests, however, that you call to the attention of the member banks of your district the communication received by the Federal Reserve Board from the Department of Justice with reference to this matter.

By order of the Federal Reserve Board.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Enclosures.

TO F. R. AGENTS OF ALL F. R. BANKS.

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DEPARTMENT OF JUSTICE

WASHINGTON, D. C.

WHR:DCK

ORL - WHR

April 29, 1929.

The Governor,

The Federal Reserve Board.

Sir:

It has been brought to my attention that the Special Accountants of this Department assigned to investigate alleged violations of the Federal criminal statutes at member banks not infrequently find difficulty in locating the necessary records to support the criminal charges, and it has been suggested that this condition would be remedied if such banks were to preserve all bank records, subsidiary and otherwise, for the period named in the Statute of Limitations, that is, the term of three years.

The question whether the proposed practice is desirable, and, if so, what steps, if any, may properly be taken by your Board to bring it about, is submitted for your consideration.

Respectfully,

For the Attorney General, .

(S) O. R. LUHRING,
Assistant Attorney General.

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June 3, 1929.

The Honorable,
The Attorney General,
Washington, D. C.

S I R :

The Federal Reserve Board has given consideration to your letter of April 29 (ORL - WHR), in which you state that investigators of your Department often find difficulty in locating records at member banks of the Federal Reserve System to support charges of alleged violations of the Federal criminal statutes, and suggest that this condition would be remedied if such banks were to preserve all bank records for three years.

It is not within the jurisdiction of the Federal Reserve Board or of the Federal reserve banks under the provisions of the Federal Reserve Act to direct or to request the member banks of the Federal Reserve System to preserve their records for any stated period for the purpose mentioned. The Board, however, in order to cooperate with your Department in this matter, will address a letter to the Federal reserve agent at each of the Federal reserve banks of the System, suggesting that your communication to the Board on this subject be called to the attention of the member banks of his particular Federal reserve district.

Very truly yours,

R. A. Young,
Governor.

GBV:vdb