

TO CHAIRMEN AND GOVERNORS OF ALL F. R. BANKS.

157

FEDERAL RESERVE BOARD

X-7407

WASHINGTON

April 12, 1933.

ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARD

SUBJECT: Subscriptions to Government Securities by  
Directors, Officers and Employees of Federal  
Reserve Banks.

Dear Sir:

In view of the fact that the Federal reserve banks act as fiscal agents of the Government in receiving subscriptions to bonds, notes, Treasury bills, certificates of indebtedness and other obligations of the United States, it is the view of the Federal Reserve Board that, if directors, officers or employees of a Federal reserve bank file subscriptions for such securities directly with such Federal reserve bank, especial care should be taken to make certain that their subscriptions are handled in strict accordance with Treasury instructions and in no respect receive more favorable treatment than is accorded other subscriptions of the same class.

In order to insure strict compliance with this principle, it is suggested that a specific officer of the bank be charged with the responsibility of supervising all subscriptions hereafter received from directors, officers and employees of the bank and that the auditor of the bank also be instructed to prepare a detailed analysis of all such subscriptions, the allotments thereon and other actions taken with respect thereto, and submit a full report thereon to your Board of Directors at the earliest possible meeting following the date of the issuance of such Government obligations.

Very truly yours,

Chester Morrill,  
Secretary.