

## FEDERAL RESERVE BOARD

X-7449

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARD

June 3, 1933.

SUBJECT: Right of unlicensed member banks to vote  
in elections of Class A and Class B  
directors.

Dear Sir:

There is inclosed herewith for your information a copy of a letter which the Board is addressing to the Federal Reserve Agent at the Federal Reserve Bank of Richmond, with reference to the question whether member banks which have not been licensed by the Secretary of the Treasury to reopen for the performance of usual banking functions are entitled to nominate candidates for Class A and Class B directors of Federal reserve banks and to vote in the election of such directors.

Very truly yours,

Chester Morrill,  
Secretary.

Inclosure.

TO ALL FEDERAL RESERVE AGENTS EXCEPT RICHMOND.

X-7449a

June 3, 1933.

Mr. W. W. Hoxton,  
Federal Reserve Agent,  
Federal Reserve Bank of Richmond,  
Richmond, Virginia.

Dear Mr. Hoxton:

Reference is made to your letter of May 18, 1933, inquiring whether member banks which have not been licensed by the Secretary of the Treasury to reopen may participate in elections of Class A and Class B directors of Federal reserve banks.

Upon consideration of this question, it is the opinion of the Federal Reserve Board that member banks, which have not been licensed by the Secretary of the Treasury to reopen for the performance of usual banking functions and which have not been placed in liquidation or in the hands of receivers or conservators or State officials having similar authority, are entitled to nominate candidates for Class A and Class B directors of Federal reserve banks and to vote in the election of such directors. The Board also agrees with your view that banks in the hands of conservators or of State officials having similar authority are not entitled to nominate candidates for Class A and Class B directors or to vote in the election of such directors.

Very truly yours,

Chester Morrill  
Secretary