

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

X-7857

April 12, 1934

SUBJECT: Revised form of report of examination.

Dear Sir:

Inclosed are ten copies of a revised form of report of examination. This form has been prepared in order to provide for additional information required by the Banking Act of 1933 and to standardize, so far as possible, presentation of the information developed in the examinations made by the various Federal reserve banks. In preparing this form, the Board's Division of Examinations has had the cooperation of several of the examiners from the Federal reserve banks who had been on temporary assignment with the Board.

When this revision was first considered, the various Federal Reserve Agents were advised that, when preliminary drafts were completed, copies would be sent to all Federal Reserve Agents for consideration and suggestions. In view of the fact that examiners from the various Federal reserve banks participated in the preparation of the form, reporting to their banks as the work progressed and offering suggestions coming from their banks, and inasmuch as several of the banks desire to print their supplies immediately, the form is offered as a final form and not as a preliminary draft. In preparing its forms, a reserve bank may expand any schedule or alter a schedule in any respect, provided that at least the information called for in the proposed form is developed.

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tion should be set forth on supplemental pages inserted in the proper places and given the appropriate page numbers followed by the letters "a", "b", "c", etc.

The report is submitted with the idea that it is a flexible form which can readily be adapted to the requirements of all districts with varying State laws and banking regulations, and to any unusual situations. While it is expected that the forms as prepared by the various Federal reserve banks may of necessity vary to some extent from the proposed form, it is requested that no change be made in the order of the report or in the numbering of the pages, as, for review purposes, it is highly desirable that the information be developed in a uniform manner.

The original purpose of the revision was to prepare a standardized form of report for use by the twelve Federal reserve banks. Since the revision was begun the scope of the plan has been broadened to include cooperation with the Federal Deposit Insurance Corporation and the Comptroller of the Currency in order to obtain the advantages which might be gained through the use of more or less uniform forms of examination reports.

The Federal Deposit Insurance Corporation has been considering a revision of its examination forms, and a committee of examiners from that organization adopted the basic plan of the report which had been prepared for use by the reserve banks. A number of changes suggested by the examiners for the Corporation have been in-

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incorporated in the final draft submitted herewith which has been adopted for use by the Federal Deposit Insurance Corporation with such changes as are necessary to provide the special information needed by that Corporation.

A revision of the present form of national bank examination report is planned by the Office of the Comptroller of the Currency. Drafts of the attached form have been reviewed with representatives of his office, and it is understood that in a number of respects the revised form will be similar to the form submitted herewith. In particular, it is understood that the section covering the examination of the trust department will be substantially the same.

It will be noted that the pages relative to the trust department provide for few schedules. The activities and conditions of such departments are so varied that, while it has been considered advisable to endeavor to develop certain information, both general and specific, through the use of a standard form of report, it has seemed best to leave to the discretion of the examiners the number and form of supporting schedules considered necessary to reflect the condition of the trust department.

If the form is submitted to any of the State banking authorities, it should, of course, be made clear that the form is designed to be flexible and not a complete report which may be used without change in all States. Should any of the State banking departments revise their reports in accordance with this form, it is suggested

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that you request the departments to retain, so far as possible, the order of the suggested report and the numbering of the pages.

Very truly yours,

Chester Morrill

Chester Morrill,
Secretary.

Inclosures.

TO ALL FEDERAL RESERVE AGENTS.