

C O P Y

X-7927

June 20, 1934.

Mr. Frederic H. Curtiss,
Federal Reserve Agent,
Federal Reserve Bank of Boston,
Boston, Mass.

Dear Mr. Curtiss:

As you have previously been advised the President has signed Senate bill S-3025 amending Section 12B of the Federal Reserve Act so as to extend the plan for temporary deposit insurance until July 1, 1935. In addition to extending the temporary plan of insurance the bill increases the amount of the deposits insured from \$2,500 to \$5,000.

Since the meeting of the Federal Reserve Agents last August much has been accomplished in rehabilitating the capital of member banks, both National and State, and your cooperation in this work has materially contributed to this result. However, in view of the importance of placing the capital of those member State banks that require assistance in the soundest possible condition while the opportunities for such assistance from the Reconstruction Finance Corporation are available, I shall appreciate your continued efforts to consummate at the earliest possible moment plans pending for strengthening the capital of these member State banks and your urging those member State banks which need assistance from the Reconstruction Finance Corporation and have not made application therefor, to do so. While the matter of recapitalizing National banks lies primarily with the Office of the Comptroller of the Currency, I am sure that you will continue to lend to the Chief National Bank Examiner of your District

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such assistance as you may be able to give him in this connection.

With assurance of my appreciation for your interest and cooperation, I am

Very truly yours,

(Signed) E. R. Black

Governor.