

X-9011

November 3, 1934.

Dear Sir:

Consideration has been given to the report of the Federal Reserve Agents' Committee on Uniform Examination Charges adopted at the conference in June, 1934, and the Board approves the first recommendation of the Committee, which reads as follows:

At least one regular examination of each State member bank, including its trust department, shall be made during each calendar year by examiners for Federal reserve banks either independently or jointly with State banking authorities. Under certain circumstances more than one such examination annually may be desirable, in which event the Federal reserve agents should be empowered to have an additional examination made. A copy of each report of examination shall be furnished to each State member bank examined.

The Board believes it advisable, however, to defer action on the question of general uniform charges until after completion of the examinations made in connection with certifications to the Federal Deposit Insurance Corporation, and to continue in effect until July 1, 1935, the instructions regarding charges for examinations contained in the Board's letter of March 2, 1934, X-7810-a, which read as follows:

....."it is the Board's opinion that charges may properly be waived for examinations of State member banks made solely to develop the information required for certification to the Federal Deposit Insurance Corporation, and that in such instances the question of waiving the charge should be left to the determination of the Federal Reserve Agent. The Board feels, however, that in cases where the examination is

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regarded as a regular examination of the nature for which charges have consistently been made, the charge should not be waived simply because of the fact that the report of examination will serve as a basis for certification to the Federal Deposit Insurance Corporation. It will be appreciated if you will advise the Board of each case in which a charge is not made for the examination giving a concise statement of the reasons why the charge was not made in the particular case."

It is assumed that practically all of the examinations made between October 1, 1934, and July 1, 1935, will be used as a basis for certification to the Federal Deposit Insurance Corporation. The instructions in the Board's letter dated July 26, 1930, X-6665, will continue to apply to examinations other than for certification purposes. It is believed that the instructions in the two letters are sufficiently flexible to provide for all circumstances.

It is assumed also that in so far as practicable, the Federal reserve agents will obtain the cooperation of the State banking departments in making joint examinations, thereby minimizing inconvenience and expense to the banks examined.

Very truly yours,

Chester Morrill

Chester Morrill,
Secretary.

TO ALL FEDERAL RESERVE AGENTS.