

## FEDERAL RESERVE BOARD

WASHINGTON

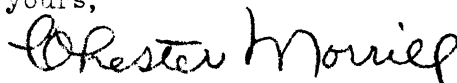
ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARDDecember 20, 1934  
B-1044

Dear Sir:

The Board is in receipt of a letter from a Federal Reserve bank stating that it has an application to open a clearing account for a nonmember bank not eligible, under present policies, for membership in the Federal Reserve System. It appears that in this particular case the nonmember bank desires to obtain clearing privileges at the Federal Reserve Bank for the purpose of avoiding exchange and collection charges now made by its city correspondent.

In this connection, the Board notes from the balance sheet of your bank that it shows an amount against the item "Nonmembers - clearing account" in the deposit block and, accordingly, the Board will appreciate receiving a statement showing the name of each nonmember bank which maintains a clearing account with your bank, the average amount of the account in November 1934, the general extent to which the account is used, and the date on, and circumstances under which, it was opened. The Board will also appreciate receiving a full statement of the policy followed by your bank, and the reasons therefor, in accepting or refusing to accept clearing accounts from nonmember banks.

Very truly yours,

Chester Morrill,  
Secretary.TO ALL CHAIRMEN EXCEPT CHICAGO  
WITH COPY TO MR. STEVENS