

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

X-9486

February 11, 1936

SUBJECT: Code words in connection with applications
for membership or for voluntary withdrawal
under provisions of Regulation H.

Dear Sir:

In order to conform to the revision of the Board's Regulation H, which became effective January 1, 1936, the following changes in code words are effective immediately:

The code words "ANCHORIVETED" and "ANCHOROME", referred to in the Board's letter of June 30, 1933 (X-7469), are discontinued.

Hereafter, in giving you telegraphic advice of the Board's approval of an application for membership in the Federal Reserve System, the code word "ANCHOROOT" will follow the name and location of the applying bank and will mean:

"Application of such bank for membership has been approved by Board subject to conditions of membership numbered 1, 2 and 3 set forth in Board's Regulation H, effective January 1, 1936, and special conditions specifically stated hereafter. Please advise such bank of Board's approval and conditions of membership prescribed, together with necessary instructions as to the procedure for accomplishing membership. Letter containing detailed advice regarding such approval will be forwarded bank through you as soon as possible. When you have received

certified copy of resolution of board of directors of such bank accepting conditions of membership prescribed by Board and advice of compliance with any special conditions required to be complied with prior to admission to membership, together with the advice of your counsel that such conditions have been properly accepted, the Federal Reserve bank is authorized to take such action as may be necessary to complete admission of applying bank to membership. Please wire Board through use of code word "NARRATELL" the same day membership of bank becomes effective and forward copy of resolution accepting conditions of membership, together with copy of advice of compliance with any conditions to be complied with prior to admission and copy of your counsel's opinion that all conditions prescribed have been properly accepted by bank."

If the Board's approval is made subject also to the three conditions of membership set forth in Regulation H relating to the exercise of trust powers, such conditions will be referred to as conditions numbered 4, 5 and 6 immediately following the code word "ANCHOROOT" in the Board's telegram.

The code word "NARRATELL", referred to in the Board's letter of October 30, 1931 (X-7009), has been used by you in giving the Board telegraphic advice of the completion of arrangements for membership by an applying bank. In such cases in the future, this code word should follow the name and location of the bank involved and will have the following meaning:

"Such bank has completed arrangements for membership. Certificate of stock of Federal Reserve bank, or, if applying bank is a mutual savings bank not authorized to subscribe for Federal Reserve bank stock, certificate representing acceptance of deposit

with Federal Reserve bank in place of payment on account of subscription to stock, has been issued."

In your telegram to the Board, the date as of which the certificate referred to therein is issued and the number of shares or the amount of the deposit, as the case may be, represented by the certificate should follow the code word "NARRATELL".

The code word "ANGLO", as defined in the Board's TRANS. 1744 of April 1, 1933 (X-7424), has been used by the Board in furnishing you telegraphic advice of its approval of applications for permission to withdraw immediately from membership in the Federal Reserve System under the provisions of section 9 of the Federal Reserve Act. In the future, this code word will follow the name and location of the applying bank and will mean:

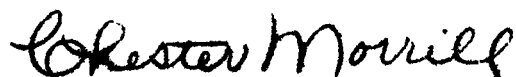
"Referring application of such bank for permission to withdraw immediately from membership, Board waives usual requirement of six months' notice. Accordingly, upon surrender of the Federal Reserve bank stock issued to such bank, the Federal Reserve bank is authorized to cancel such stock and make appropriate refund thereon. Before such stock is canceled, you are requested to obtain advice of your counsel that the documents filed with you pursuant to section 10 of Board's revised Regulation H comply substantially with the requirements of that section. Please advise Board when cancelation is effected and refund is made, and forward to the Board the documents required by section 10 of Regulation H. Certificate of membership issued to bank should also be obtained, if possible, and forwarded to Board. State banking authorities should be advised promptly when bank's withdrawal from membership has been effected and informed that you will be glad, if desired,

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to furnish information as to reasons advanced by bank in support of its request for waiver of usual requirements of six months' notice of intention to withdraw. Confirmation follows."

Very truly yours,

A handwritten signature in cursive script that reads "Chester Morrill". The signature is written in dark ink and is positioned above the typed name.

Chester Morrill,
Secretary.

TO ALL FEDERAL RESERVE AGENTS.