

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

June 26, 1937.



SUBJECT: Cooperation with the Federal Deposit Insurance Corporation in Connection with Applications of Noninsured Banks for Membership in the System.

Dear Sir:

The Board's letter dated July 10, 1936, X-9647, relates to cooperation with the Federal Deposit Insurance Corporation in connection with the applications of insured nonmember banks for membership in the System. Admission of a noninsured bank to membership in the System automatically gives the bank the benefits of deposit insurance through the Federal Deposit Insurance Corporation, and it is felt that the cooperation of the Federal reserve banks with the Federal Deposit Insurance Corporation in the manner outlined in the letter X-9647 with respect to applications for membership should be extended to cover applications of noninsured banks as well as applications of insured nonmember banks.

Accordingly it is requested that, in connection with an application of a noninsured bank, which would include a newly organized bank which expected to open for business as a member bank, the Federal reserve bank communicate with the supervising examiner of the Federal Deposit Insurance Corporation in order that the Reserve bank might be furnished with any information available to the Corporation which might be helpful in considering the application. It is requested, also, that when applications of noninsured banks for membership in the System are forwarded to the Board, the data accompanying the applications include reference to the information, advice, or suggestions received from the supervising examiner of the Federal Deposit Insurance Corporation with respect to the application.

Very truly yours,

A handwritten signature in dark ink, appearing to read "L. P. Bethea". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

L. P. Bethea,  
Assistant Secretary.