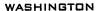
BOARD OF GOVERNORS OF THE

FEDERAL RESERVE SYSTEM



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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 23, 1938.

Dear Sir:

It is desired to obtain reports as of June 30, 1938, from all holding company affiliates which hold general voting permits, in order that the respective Federal Reserve banks and the Board may have information as of a uniform date regarding the financial condition and management of such holding company affiliates and their relations with subsidiary banks and other organizations, and as to compliance by such holding company affiliates with the provisions of agreements executed by them and with the requirements of the law.

There is inclosed a copy of a form for such reports, additional copies of which are being forwarded to your bank under separate cover. Please deliver immediately to each holding company affiliate which has its principal office in your district and which now holds a general voting permit three copies of the form, with the request that the report be filed in duplicate with your bank not later than August 1, 1938. One complete copy of each report filed with your bank should be forwarded promptly to the Board. After you have had an opportunity to review the reports filed, it will be appreciated if you will forward to the Board any additional information, comments, or suggestions which you may have regarding each case.

When delivering the report forms to any member or nonmember insured banks in your district which are holding company affiliates and which hold general voting permits, please advise such banks that they may omit the following data requested in the report forms:

Page 1 - Balance Sheet

Page 2 - Statement of Income

Page 2 - Analysis of Earned Surplus

Page 2 - Analyses of Other Surplus and

Reserve Accounts

Page 3 - Schedule A - Securities (Other than Securities of Affiliated Organizations)

Page 5 - Schedule E - Notes Payable

Page 5 - Schedule F - Accounts Payable

Page 6 - Capital Stock

Page 8 - Supplemental Information - Items 1, 2, 5, and 6.

In any group in which there are two holding company affiliates, detailed information need not be duplicated in the reports filed by the holding company affiliates, but such of the detailed information submitted by one holding company affiliate as is applicable to the other may be included by reference in the report submitted by the latter.

In obtaining these reports, the Board desires to avoid placing any unnecessary burden upon holding company affiliates. Accordingly, the inclosed form has been drafted to provide a convenient means for furnishing the information which is desired at this time. However, if in the ordinary course of its affairs a holding company affiliate propares financial or statistical data which contain the information requested in the report form, copies of such data may be submitted in lieu of the report form or such portions thereof as are covered by the holding company affiliate's own financial or other statements. It is, nevertheless, essential that all details of the information requested in the inclosed form be clearly covered in the data submitted by the holding company affiliate as of June 30, 1938. Regardless of whether the information furnished by the holding company affiliate is supplied in the form provided or in some other form, it is desired that an officer of the holding company affiliate certify that the report (including all accompanying schedules, statements, and other data) has been examined by him and is, to the best of his knowledge and belief, a true, correct and complete report.

Attention is directed to the fact that the holding company affiliate is requested to submit financial statements as of June 30, 1938, of each of its subsidiaries and each other affiliated organization, as explained and with the exceptions indicated in item 8 on page 8 of the report form.

Since holding company affiliates have not heretofore been requested to submit reports of this kind to the Board of Governors, it will be appreciated if you will explain the nature and purpose of the report and arrange for representatives of your examination department to render whatever assistance may be necessary in compiling the data requested.

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In view of the desirability of obtaining periodically, as of uniform dates, certain information regarding holding company affiliates which hold general voting permits, consideration is being given to requesting such holding company affiliates to submit annual reports, beginning with a report for the year ending December 31, 1938, similar to the form inclosed herewith. We shall appreciate your comments and suggestions regarding the form, together with the comments and suggestions of the examination department of your bank, based upon study of the form as now designed and upon experience with it in obtaining the reports as of June 30, 1938.

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Very truly yours,

L. P. Bethea, Assistant Secretary.

Inclosure.