



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-131

379

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1938.

Dear Sir:

In accordance with the recommendation of the Committee on Free Services of the Presidents' Conference as amended and approved by the Presidents' Conference at its meeting in Washington on October 24-25, 1938, the Board approves the acceptance and holding in safekeeping of securities pledged as collateral to deposits of bankrupt estates under the provisions of Chapter VII of the amended Bankruptcy Act, with the understanding that

1. When such securities are placed in safekeeping with the Federal Reserve banks by member banks, the Federal Reserve banks will make no charge for their services in connection therewith,
2. When such securities are placed in safekeeping with the Federal Reserve banks by nonmember banks, including nonmember clearing banks, the Federal Reserve banks will charge for their services at the rate of 1/40th of one per cent of the face value of such securities, provided, however, that the minimum charge shall be \$2.50 and the maximum charge \$250.00 for each twelve month period, or portion thereof, during which securities are held in safekeeping, and
3. The Federal Reserve banks will be reimbursed by depositing member and nonmember banks for shipping expenses incident to receiving and delivering securities pledged as collateral to deposits of bankrupt estates under the provisions of Chapter VII of the amended Bankruptcy Act.

Very truly yours,

Chester Morrill

Chester Morrill,
Secretary.

TO PRESIDENTS OF ALL FEDERAL RESERVE BANKS.