

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-162



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 29, 1939.

Dear Sir:

At the close of the year 1938 certain questions arose in connection with the termination of custody of Federal Reserve notes, collateral, and other property held by Federal Reserve agents who were going out of office. There have also been occasions in the past when a retiring Federal Reserve agent has asked the Board for suggestions as to a procedure which he might follow in terminating his custody of property held by him in his capacity as Federal Reserve agent. For the information and records of your office, it may be said that the following suggestion, based upon the Board's past consideration of this matter, is one method which may be used in the future, if desired, in connection with the transfer of Federal Reserve notes, collateral, and other property from a retiring Federal Reserve agent to his successor:

The auditing department of the Federal Reserve bank should prepare an instrument certifying the amounts of Federal Reserve notes, collateral, and other property in the various accounts in the Federal Reserve agent's department for which he is responsible as of the close of business on the last day of official duty of the agent. This certificate should be signed by the auditor and should be attested by the outgoing Federal Reserve agent and, with respect to property held in joint custody, by the joint custodians. Counsel for the Federal Reserve bank should then prepare a receipt in duplicate based upon the certificate prepared by the auditing department.

In the event the outgoing Federal Reserve agent is to be immediately succeeded by a new Federal Reserve agent, such receipt should be signed by the incoming Federal Reserve agent on the day he executes the oath of office and enters upon his duties. One of the duplicate originals of such receipt should be delivered to the outgoing Federal Reserve agent. In cases where an outgoing Federal Reserve agent is not immediately succeeded by a new agent, the ranking

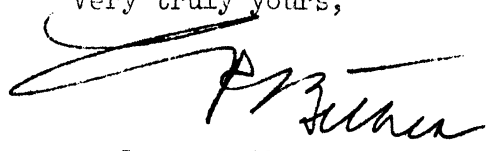
assistant Federal Reserve agent should execute the receipt in duplicate and one of the duplicate originals should be delivered to the outgoing Federal Reserve agent. In such a case, upon the appointment of a new Federal Reserve agent, the procedure outlined in the preceding paragraph should be followed, with a certificate and receipt prepared as of the day the new Federal Reserve agent executes his oath of office and enters upon his duties. A duplicate original of this receipt, properly executed by the new agent, should be delivered to the ranking assistant Federal Reserve agent.

Copies of such receipts and documents need not be forwarded to the Board, but it will be appreciated in each case if the Board is advised in general terms of what has been done.

In all cases counsel for the Federal Reserve bank should be consulted in connection with the preparation of such documents as may be utilized in this connection.

As indicated above, the procedure outlined is not prescribed but merely suggested as one method which may be used; and any procedure may be followed which is satisfactory to the parties concerned and is approved by counsel for the Federal Reserve bank.

Very truly yours,



L. P. Bethea,
Assistant Secretary.

TO ALL FEDERAL RESERVE AGENTS