

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

October 17, 1939



Dear Sir:

During recent weeks there has been an increase in certain types of business activity and if present trends continue it is quite likely that some business enterprises may find themselves in need of additional working capital to finance expanding operations, while others affected less favorably by current developments may be in urgent need of additional funds to keep their personnel employed and meet current financial obligations.

The Board of Governors believes that the entire System should be keenly alive to the changed conditions and be ready to render prompt and efficient service wherever practicable. With this in mind the Board hopes that the Federal Reserve banks will make special efforts to expedite the handling of all applications for advances for working capital purposes, whether received direct or through financing institutions. It is important, especially at this time, that applications for working capital advances be considered sympathetically and that sincere efforts be made to grant the credit applied for whenever it can be done on a reasonable and sound basis, as required by statute. In acting upon applications it is important that substance, rather than technicalities be given paramount consideration.

In order that the Board may be kept informed as to developments in this field, it will be appreciated if you will furnish it with a brief statement with respect to each industrial loan application filed with your bank as soon as final action has been taken thereon. It would be helpful if this statement would include the date the application is filed, the name, address, and type of business of the applicant, the date the application was considered by (a) the Industrial Advisory Committee, and (b) the Federal Reserve bank, and if the application was declined, the reasons therefor.

Very truly yours,

A handwritten signature in cursive script that reads "Chester Morrill".

Chester Morrill,
Secretary.