

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-244

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 14, 1940



Dear Sir:

As you know the procedure adopted by the Federal Reserve Banks for uniform treatment of employees called for military service provides that, upon receiving evidence that an employee called to military service has taken out National Service Life Insurance, the Bank will reimburse him for the cost of premiums on such insurance for his period of military service in a principal amount up to (a) the multiple of \$500 which is equal to or next above the equivalent of two years' salary, or (b) \$5,000, whichever is less.

Inasmuch as amounts payable in this connection will be relatively small, it is believed that it would be preferable to make a single payment in any given case unless the period of military service is in excess of one year. We are advised that each person taking out National Service Life Insurance will receive an insurance policy which can be presented to the Federal Reserve Bank at the time request is made for reimbursement for National Service Life Insurance premiums.

If in the case of those who return to the Bank's employ, or those who do not return, your Bank wishes to obtain evidence that premiums were paid for the entire period for which reimbursement is requested, it is suggested that you communicate with the Board's Division of Bank Operations which will be glad to obtain from the Veterans Administration information as to the actual amount of premiums paid and the period covered by such premiums. This information may be obtained, if desired, at or about the time of the expiration of service or when a request for reimbursement is received. In each instance, in order to insure proper identification, the full name of the insured, the branch of the service, and any numbers incident to service or the insurance that are available should be furnished. If the number of the policy is

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not known, information as to the effective date of the insurance, if available, is desirable.

Very truly yours,

A handwritten signature in cursive script, appearing to read "L. P. Bethea". The signature is written in dark ink and is positioned above the typed name.

L. P. Bethea,
Assistant Secretary.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS