

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

S-562

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 1, 1942.



Dear Sir:

For your information the following letter has been sent in response to an inquiry received from one of the Federal Reserve Banks:

"Reference is made to your letter of September 21, 1942, in which certain questions are raised as to guarantee fees accrued or collected on behalf of the War Department, Navy Department, and Maritime Commission.

"The quarterly period for computation of the guarantee fee should begin with the date of the first advance made in contemplation of the guarantee agreement. If the financing institution makes an advance prior to the actual execution of the guarantee agreement but such advance is made after the approval of the guarantee, the fee would accrue from the date of such advance rather than the date of the guarantee agreement.

"With respect to waiving the collection of nominal amounts of interest or guarantee fees, or disregarding overpayments, in connection with loans that have been repaid in full, it is quite possible that the Federal Reserve Banks may be asked to furnish detailed data as to how the amount of the fees is arrived at, and, if so, it is doubtful whether the General Accounting Office would accept anything less than the exact amount due. Whether you wish to take up with financing institutions nominal differences in amounts due is a matter for determination by your Bank, but in any case it is suggested that the Government be credited with the exact amount of fees due on each guaranteed loan. On an outstanding loan there is, as you assume, no objection to carrying forward from one period for adjustment in the next period a small difference between the amount due and the amount remitted by the financing institution."

Very truly yours,

S. R. Carpenter,  
Assistant Secretary.

TO THE PRESIDENTS OF ALL  
FEDERAL RESERVE BANKS,  
EXCEPT ATLANTA.

FOR VICTORY



BUY  
UNITED  
STATES  
WAR  
BONDS  
AND  
STAMPS