

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-576

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



October 30, 1942.

Dear Sir:

There is enclosed a photostat of a letter dated October 27, 1942, which the Board has received from the United States Maritime Commission addressed to all Federal Reserve Banks, regarding the insertion of certain special conditions in guarantee agreements executed pursuant to Executive Order No. 9112. We have in our records the special conditions enclosed with the above-mentioned letter from the Maritime Commission duly authenticated by Mr. W. C. Peet, Jr., Secretary, United States Maritime Commission; and a mimeographed copy of these special conditions is enclosed herewith. It will be observed that the special conditions enclosed with the Maritime Commission's letter are identical with those which were enclosed with letters addressed to all Federal Reserve Banks under date of October 9, 1942, by the War Department and the Navy Department.

Your attention is called to the fact that, while the Maritime Commission's letter is substantially the same as the letters addressed by the War and Navy Departments to the Federal Reserve Banks on October 9, 1942, the last paragraph of the Maritime Commission's letter authorizes the Federal Reserve Banks to execute supplemental agreements containing the special conditions without further submission of the matter to the Maritime Commission for approval, "provided that the inclusion of such conditions in no way alters the original intent of any executed guarantee agreements." We have had informal discussions with a representative of the Maritime Commission as to the meaning of this limitation; and we have been

FOR VICTORY

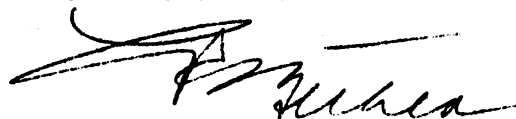


BUY
UNITED
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advised that the language above quoted is intended to have no application except with respect to a particular case in the Ninth Federal Reserve District and may therefore be disregarded by all Federal Reserve Banks except by the Federal Reserve Bank of Minneapolis in connection with that particular case.

We are furnishing a copy of this letter to the Maritime Commission.

Very truly yours,



L. P. Bethea,
Assistant Secretary.

Enclosures 2

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS
(Enclosures with addressed copies only.)