

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

To Mr. Leonard
From Mr. SkeesSubject: Voting permit application -
"Transamerica Corporation",
San Francisco, California.

6 p o 16-852

ED
CK

Under date of December 17, 1935, the Board authorized the issuance of a general voting permit to Transamerica Corporation, subject to the condition that prior to the issuance of such permit the applicant shall execute and deliver to the Federal Reserve agent an agreement in the form accompanying the Board's letter X-9385 (copy attached), with the following additional paragraph inserted following paragraph numbered 7:

"8. That all present or future obligations of Inter-America Corporation, the undersigned, and/or any organization affiliated with the undersigned or any of its subsidiaries, to Bank of America National Trust and Savings Association and/or any bank affiliated with the undersigned or with any of its subsidiaries, growing directly or indirectly out of contracts heretofore entered into by Corporation of America with Bank of America National Trust and Savings Association on June 26, 1931, December 31, 1931, and February 13, 1932, or on any other date, for the purpose of eliminating objectionable assets and/or losses from such bank, shall be paid in full on or before December 31, 1938, and that not less than one-third of the amount now owed on such obligations shall be paid on or before December 31, 1936, and not less than two-thirds of such amount shall be paid on or before December 31, 1937."

Under the same date the Board also authorized the issuance of a general voting permit to Inter-America Corporation, subject to the execution of an agreement in the form accompanying the Board's letter X-9385, with an additional paragraph substantially the same as that prescribed in the case of Transamerica Corporation.

The holding company affiliates did not execute the required agreements and the general voting permits authorized were therefore not issued. The authorizations in these cases expired on January 16, 1936, and were not extended.

Although the files do not contain specific information as to reasons for the failure of the holding company affiliates to accept the general voting permits, there have been indications that the holding company affiliates did not wish to execute the prescribed agreements.

In this connection reference is made to a letter dated December 30, 1935, from Mr. A. P. Gianinni containing comments upon the Board's letter of December 17, 1935, discussing the standard conditions relating to the issuance of general voting permits, and upon the agreement which the corporation was requested to execute as a condition precedent to the issuance of a general voting permit, to which letter the Board replied under date of January 10, 1936. Our files in this case do not contain any subsequent communications from the corporation to the Board, either directly or through the Federal Reserve Bank of San Francisco, with respect to the attitude of the corporation concerning the acceptance of a general voting permit subject to the conditions indicated.

A handwritten signature in black ink, appearing to read "HES".