F.R.DISTRICT 5

BANKS CLOSED DURING MARCH 19[illegible], UNDER A SPECIAL HOLIDAY DECLARED BY CIVIL AUTHORITIES

470.3(5)

Name and location of bank	Date bank closed	Date bank resumed operations	Duration of holiday		
			Number of days	From	To

All banks closed - President's proclamation - 3-5-33

F. R. DISTRICT 5

BANKS WHICH DURING MARCH 1933, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS

470.3(5)

Name and location of bank	Obtained depositors' waiver agreements	Demand deposit withdrawals restricted *	Time deposit withdrawals restricted beyond terms by-laws*
	Effective date	Period during which effective	
Limit on withdrawals placed by Commissioner of Banking on all banks in West Virginia as of 3/2/33.			

* Either with or without signed agreements of depositors.

(B-868)

F. R. DISTRICT 5

BANKS WHICH DURING February 1933, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS

470.3(5)

Name and location of bank	Obtained depositors' waiver agreements	Demand deposit withdrawals restricted *	Time deposit withdrawals restricted beyond terms of by-laws*
	Effective date	Period during which effective	

N O N E

*Either with or without signed agreements of depositors.

(B-868)

F. `. DISTRICT 5

BANKS CLOSED DURING February 1933, UNDER A SPECIAL HOLIDAY DECLARED BY CIVIL AUTHORITIES

Name and location of bank	Date bank closed	Date bank resumed operations	Duration of holiday		
			Number of days	From	To
				470.3(5)	
All banks in State of Maryland				2/25/33	*

* "On February 24, the Governor of Maryland issued a proclamation declaring Saturday, February 25, a legal holiday, and issued a similar proclamation for each succeeding business day during the remainder of the month."

F. R. DISTRICT 5

BANKS WHICH DURING JANUARY, 1933, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS 470.3(5)

NAME AND LOCATION OF BANK	Obtained depositors' waiver agreements	Demand deposit withdrawals restricted *	Time deposit withdrawals restricted beyond terms of by-laws*
	Effective date	Period during which effective	

N O N E

*Either with or without signed agreements of depositors.

(B-868)

470.3(5)

FEDERAL RESERVE BANK

OF RICHMOND

November 9, 1932

All in our records except First N. B. Burlington

Mr. E. L. Smead, Chief
Division of Bank Operations
Federal Reserve Board
Washington, D. C.

Dear Mr. Smead:

Mr. Hoxton has requested me to make reply to your telegram of the 3rd (Trans. 1524).

There are a great many non-member State banks in the Carolinas which have at some time during the year operated on the so-called moratorium basis. We do not however, have definite information concerning these cases. They come to our attention from time to time through the newspapers. No file or record has been kept of such cases.

We have made a careful study of the member banks in this district which appear to come within the scope of your telegram referred to above, and I give you herewith all of the available information concerning each case.

First National Bank, Burlington, N. C. Suspended Dec. 16, 1932.

The National Bank of Burlington was organized to take over the business of the First National Bank of Burlington and opened for business on May 13, 1932. On May 2nd the National Bank Examiner said that the plan was to organize a new bank with a capital and surplus of $150,000, which bank was to assume 70% of the liability to assenting creditors, and to purchase from the suspended bank assets equivalent to the liabilities assumed.

Under date of April 9, 1932 the Receiver of the First National Bank of Burlington made a tentative balance sheet showing the deposits to be assumed by the new bank to be paid as follows:

10% cash on date of opening
10% six months from date of opening
10% twelve months from date of opening
20% eighteen months from date of opening
20% twenty-four months from date of opening

Making 70% in all. The balance, or 30% of the assenting deposits was to be trusteed for the benefit of the depositors. All deferred payments to bear interest at 3% per annum.

Elkins National Bank, Elkins, N. C. Suspended Jan. 20, 1932

We have no definite proof at hand but the manager of our Transit Department seems to have it clear in his mind that for two or three days prior to the suspension of this bank payments to depositors were very much restricted.

First National Bank of Henderson, N. C. Suspended Jan. 2, 1932

This bank was succeeded by the First National Bank in Henderson, which bank opened for business October 4, 1932 . National Bank Examiner's report on July 19, 1932 referred to a re-orgination plan of the old First National Bank, under which plan the depositors were to waive 30% of their deposits and the balance to be assumed as follows:

10% on date of re-opening
20% payable Nov. 1, 1933
20% payable Nov. 1, 1934
20% payable Nov. 1, 1935

All of the deferred payments to bear interest at 3% per annum

Commercial National Bank, High Point, N. C. Suspended Jan. 18, 1932

For some time prior to the suspension of this bank payment upon checks sent to it by the Federal Reserve Bank was refused and tickets attached to the returned checks. During this time they used two different tickets and on January 7 the bank sent a letter to its depositors which explained the peculiar situation which existed and stated that it had frozen its deposits, but that all deposits made on, and after January 7th would be subject to check in full as only old deposits were frozen.

For your information I enclose herewith a copy of the letter referred to and a copy of the tickets which were used by the bank when returning checks unpaid. It is our understanding that withdrawals of savings deposits were restricted on January 2, and that about January 4 all deposits were restricted on a percentage basis.

Ticket No. 1 was used until about January 7, then ticket No. 2 was used by the bank when returning checks. We did not undertake to decide which checks the bank would pay from day to day, so we made it a rule to send all checks we received drawn on the Commercial National Bank direct to that bank and received payment for such checks as they paid and returned others to the endorsers.

First National Bank, Wilson, N. C. Suspended Dec. 30, 1931.

In a letter from the President of the closed bank we were furnished with a copy of an agreement which the depositors were asked to sign. This agreement provided that the depositors should waive their claims to 25% of their deposits and that the balance be assumed by the new bank payable as follows:

10% cash upon re-opening
15% payable in six months
5% payable in 12 months
20% payable in 18 months
10% payable in 24 months
15% payable in 36 months

All deferred payments to bear interest at 3% per annum.

The National Bank of Wilson,which succeeded the First National Bank,opened for business July 15, 1932 and we have no reason to suppose that the agreement with the depositors of the First National Bank was later changed from the terms cited above.

First National Bank, Luray, Va. Suspended Oct. 6, 1931

According to the information obtained from the examiner's report the shareholders surrendered their old stock and made a voluntary contribution of $20,000. The capital was increased to $50,000 and the depositors accepted certificates for 80% of their balances and were given participating certificates in the doubtful assets for the other 20%. This bank was restored to solvency and reopened February 25, 1932.

First National Bank, Parkersburg, West Virginia, Suspended Nov. 3, 1931

This bank had capital, surplus and undevided profits of $1,500,000. All I know of the terms on which the Peoples National Bank of Parkersburg succeeded the First National Bank is that taken from an appraisal report by the National Bank Examiner as of March 31, 1932. This plan proposed that the new bank would assume the deposits of the old bank on the following terms:

15%	payable	Dec. 15, 1932
15%	"	June 15, 1933
15%	"	Dec. 15, 1933
15%	"	June 15, 1934
15%	"	Dec. 15, 1934
15%	"	June 15, 1935
10%	"	Dec. 15, 1935

The Peoples National Bank opened for business on July 5, 1932 and we suppose assumed the deposit liabilities of the First National Bank on the terms set forth in the appraisal referred to above. The examiner did not say whether these deferred payments would bear interest.

First National Bank, Philippi, West Va.

The National Bank examiner in his report of examination of this bank as at the close of business October 26, 1932 made the following comments:

"Depositors Agreement"

" In consideration that other depositors of the First National Bank of Philippi, West Virginia, whose deposits represented either by savings accounts or by certificates of deposit, aggregate 90 percent of the money on time deposits with said bank at the close of business October 22, 1931, will leave their money on deposit with said bank for a period of two years from date, I a depositor, agree to do the same, and the said bank agrees to pay me interest on the same in cash when due and to advance or loan to me, on said time deposits, sufficient funds to pay the taxes on my property when due.

This the 22nd day of October 1931."

" (Above applies only to savings accounts)"

The First National Bank did not suspend operations but as will be noted above, is operating under an agreement with its depositors. The date of the agreement referred to is the date on which the Citizens National Bank of Philippi suspended operations.

First National Bank, Richwood, West Va. Suspended Oct. 2, 1931

Succeeded by the Cherry River National Bank which opened for business July 16, 1932. I have no information as to any agreement entered into between the new bank and the depositors in the old bank.

First National Bank, Ripley, West Va. Suspended Nov. 5, 1931

Restored to solvency and reopened on April 19, 1932. Nothing is known as to how the bank was restored to solvency and we do not know whether deposits were frozen.

National Exchange Bank, Weston, West Va. Suspended Oct. 3, 1931

This bank was succeeded by the Weston National Bank which opened for business on Sept. 15, 1932. The National Bank Examiner in his report of September 1, 1932 referred to the fact that the plan of reorganization provided for the assumption of deposits by the new bank as follows:

Depositors to waive 30% of their balances, the remaining 70% to be payable as follows:

10% in cash at reopening
10% December 1, 1932
20% December 1, 1933
25% December 1, 1934
35% December 1, 1935

This is all of the information on the subject referred to in your telegram which is available in the bank and in accordance with my telephone conversation with you concerning this matter, we have not made any outside investigation of cases other than the ones reported above and have not made inquiry of the banks listed above to verify the terms of agreement which I have set forth as being the only information which we have in each case.

If I can be of any further assistance to you in this matter please let me know.

Very truly yours

J. G. Fry

J. G. Fry
Assistant Federal Reserve Agent

THE COMMERCIAL NATIONAL BANK

HIGH POINT, N. C.

470.3(5)

January 7, 1932.

TO THE DEPOSITORS OF THE COMMERCIAL NATIONAL BANK:

Due to the recent bank failures in this vicinity and elsewhere, there exists considerable unrest among the people, and many are endeavoring to withdraw their deposits from perfectly solvent banks, thereby jeopardizing the interests of their loyal depositors and friends.

The Commercial National Bank of High Point, N. C., is SOLVENT and open for business, but the only way it can remain so, under present conditions, is to limit all withdrawals of deposits now in the bank.

Our depositors have manifested great confidence in the stability of The Commercial National Bank, as evidenced by the fact that they have not unduly withdrawn their deposits, and we appeal to their future confidence to stand by us as they have in the past.

This bank will not permit the deposits of its customers and friends to be unduly jeopardized by the withdrawals of those who are actuated by fear. All depositors shall share alike.

This bank will continue to do business and assist in preserving the property of our people. Your money is safer with us for one hundred cents on the dollar than it would be in the hands of strangers on a forced liquidation.

After careful deliberation and consultation with leading bankers, we are not permitting withdrawal of deposits in this Bank until conditions have righted themselves, and therefore, have adopted the following plan:

The deposits in this bank are frozen until further notice, but both savings accounts and Certificates of Deposit will earn interest as usual.

All deposits made on and after this date will be subject to check or withdrawal in the usual way both as to checking and savings accounts. We, therefore, invite a continuance of the support of our present depositors, and any new ones who wish to do business with us.

The economic conditions under which we have lived during the past few months are unprecedented and worldwide, therefore, we feel that this step is justifiable, in that the conveniences of the individual depositor may well be counted as of less importance than the good of an entire community.

We earnestly request the cooperation of every depositor to the end that no one will suffer any loss. The success or failure of this plan is largely in your hands. The plan has been adopted by many banks in the United States, and they are successfully functioning under it.

BEAR IN MIND THAT ALL DEPOSITS MADE IN THIS BANK ON AND AFTER THIS DATE WILL BE SUBJECT TO CHECK IN FULL AS HERETOFORE, AS IT IS ONLY THE OLD DEPOSITS WHICH ARE TEMPORARILY FROZEN.

By order of the Board of Directors
The Commercial National Bank of
High Point, N. C.

By J. ELWOOD COX, President.

470.3(5)

Temporarily we have decided to exercise our right and require checks for payment to be presented at our counter by the holder.

We are restricting payment to specified percentages of the depositors' account.

THE COMMERCIAL NATIONAL BANK

HIGH POINT, N. C.

470.3(5)

NOTICE

All deposits in this Bank made prior to January 7, 1932, are frozen until further notice, and no checks are being paid against same.

THE COMMERCIAL NATIONAL BANK,
High Point, N. C.

~~Dist~~ #5

West Virginia	Cap.	Dep	Pop.	County
First Nat. Bk. Philippi	50	843	1,767	Barbour
~~Commercial Nat. Bk. High Point~~	~~1,000~~	~~3,888~~	~~36,745~~	~~Guilford~~
				470.3(5)
North Carolina				
Commercial Nat. Bk. High Point	1,000	3,888	36,745	Guilford

F. R. DIS 5 - Richmond

BANKS WHICH DURING 1932, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS

470.3(5)

Name and location of bank	Obtained depositors' waiver agreements	Demand deposit withdrawals restricted *	Time deposit withdrawals restricted beyond terms of by-laws*
	Effective date	Period during which effective	

NONE

*Either with or without signed agreements of depositors.

(B-868)

DISTRICT NO. 5 - RICHMOND

BANKS CLOSED DURING 1932 UNDER A SPECIAL HOLIDAY DECLARED BY CIVIL AUTHORITIES

470.3(5)

Name and location of bank	Date bank closed	Date bank resumed operations	Duration of holiday		
			Number of days	From	To

NONE