

August 19, 1944.

Chairman Eccles:

In Board meeting yesterday in connection with the discussion of Transamerica, I indicated that a violation of section 7 of the Clayton Act would be subject to criminal penalties. Upon reviewing the statute on this subject, however, it appears that, while violations of some sections of the anti-trust laws are punishable by fine or imprisonment, there is no criminal penalty applicable with respect to section 7. The section can be enforced by a cease and desist order issued by the appropriate authority, which in the case of banks is the Board of Governors.

This is merely for your information.

*George D. Vest*