Thought the attached clipping would interest you, Marriner. Kind regards.

O. P.

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The citation for the original is:

Los Angeles Evening Herald and Express, “Bank America Sets Records in First Half,” July 1, 1938.

L A EVENING HERALD & EXPRESS 7-1-38

BANK *of* AMERICA

NATIONAL TRUST AND SAVINGS ASSOCIATION

EXPLAINED STATEMENT OF CONDITION JUNE 30, 1938

RESOURCES

We Have—

Cash in our vaults and on deposit with Federal Reserve Bank $143,690,085.82

Cash on deposit with banks in New York, Chicago and other cities and cash items in process of collection . . $ 82,101,490.50

TOTAL CASH . . . . $ 225,791,576.32

We Own—

Securities of the United States Government and Federal Agencies $440,200,387.05

State, county and municipal bonds . . $ 92,807,218.51

Other bonds and securities . . . . $ 42,361,927.91

Stock in Federal Reserve Bank . . . $ 2,580,000.00

TOTAL SECURITIES . . . . . . $ 577,949,533.47

We have loaned to our customers for use in their businesses, for building, buying or modernizing their homes, financing automobile or household equipment purchases, and for other legitimate needs . . . $629,125,363.97

We have interest due us on bonds and loans earned to the date of this statement, but uncollected, together with accounts receivable . . . . . . $ 2,413,156.22

We hold guarantees and securities of customers and banks, for letters of credit, acceptances and endorsed bills . $ 23,723,128.20

TOTAL DUE US FROM CUSTOMERS . . . . $ 655,261,648.39

Bank buildings, furniture, fixtures and safe deposit vaults. Carried at cost less depreciation . . . . $ 35,816,479.84

Other real estate owned. This is other real estate owned, but not presently used as bank premises, and real estate acquired in the settlement of debt, none of which is carried in our assets for more than five years . . . . . . $ 2,734,226.05

Other resources including supplies inventory, mechanical equipment, deferred charges, etc. . $ 974,161.64

Total Resources . $1,498,527,625.71

LIABILITIES

Demand deposits. Funds placed with our bank by individuals, corporations, firms, banks, public officials and the United States Government (payable on demand) $565,301,767.71

Savings and time deposits. Funds placed with our bank for extended periods of time by individuals, corporations, firms, State of California, political subdivisions thereof and the United States Government . . $792,476,942.22

TOTAL DEPOSITS $1,357,778,709.93

Acceptances, Letters of Credit, etc. Bankers' Acceptances which we have endorsed, Letters of Credit issued on behalf of customers and Customers' Drafts (not yet due) we have agreed to honor, secured by the guarantees and collateral of customers and banks listed under resources . . . . $ 23,911,383.35

Reserves. Represents money which the Board of Directors has set aside, out of stockholders' funds, for contingencies, taxes, etc. . . . . $ 4,605,784.53

TOTAL LIABILITIES $1,386,295,877.81

CAPITAL FUNDS

The difference between the total resources and the total liabilities represents the bank's working capital supplied by the stockholders. *It is carried on the books as follows:*

Capital. Stockholders' investment . . . . . . $ 50,000,000.00

Surplus. Paid in by stockholders or accumulated from earnings as an added protection for depositors in the operation of the bank . . . . $ 40,000,000.00

Undivided profits. Profits accumulated and not withdrawn, but left with the bank for use in conducting its business and as an added protection for depositors . . . . . . $ 22,231,747.90 $ 112,231,747.90

Liabilities and Capital Funds . . . $1,498,527,625.71

This Statement includes the figures of the London, England, banking office: 12 Nicholas Lane, E. C. 4

Statewide . . . 493 Branches in 307 California Communities

MEMBER FEDERAL RESERVE SYSTEM . . . . . MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

July 20, 1938

Mr. A. P. Giannini
Chairman of the Board
Bank of America
San Francisco, California

Dear Mr. Giannini:

As I expect to visit San Francisco somewhere around August 22 to 26, I am wondering whether you expect to be in the city at that time. Also, I have never had the pleasure of meeting your son Mario, as he was away from San Francisco when I was there two summers ago. It occurs to me that there are several matters related to the present developments in the banking field that we could discuss with mutual interest, not the least of which is the recent change in examination procedure, and the revision of the Comptroller's Regulation on Investment Securities. Incidentally, both of these changes, to my mind, are more important than is generally recognized and open up new avenues of business for the banks of the country. No doubt most of the bankers will run true to form, however, and still preach and practice liquidity and complain about reduced earnings and the government's easy money policy. The alert banker, however, will be out tilling his new fields.

With best wishes, I am

Yours sincerely,

Lawrence Clayton

LC/fgr

Bank of America
NATIONAL TRUST & SAVINGS ASSOCIATION
LOS ANGELES

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

July 28, 1938

Honorable Lawrence Clayton
Executive Assistant to Chairman
Board of Governors of the
Federal Reserve System
Washington, D. C.

Dear Mr. Clayton:

Delighted to learn that you are planning to visit San Francisco around August 22 to 26th. Needless to say, both Mario and I are looking forward with much pleasure to having a discussion with you at that time regarding present developments in the banking field.

Jesse Jones certainly gave the bankers of the country quite a blast the other day. I must say that the letter he has sent out to the banks "hits the nail right on the head".

Anticipating the pleasure of seeing you soon and with warmest personal regards, I am

Sincerely yours,