

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, March 21, 1928 at 5:00 p.m.

PRESENT: Governor Young
Mr. Platt
Mr. Hamlin
Mr. James
Mr. McIntosh
Mr. Eddy, Secretary
Mr. McClelland, Asst. Secretary

The Governor stated that the Board was to have held a hearing at 11:00 o'clock this morning at which representatives of the Farmers State Bank, Genoa, Nebraska had been requested to appear to show cause why the institution should not be required to surrender its stock in the Federal Reserve Bank of Kansas City and to forfeit all rights and privileges of membership in the Federal Reserve System.

No one having appeared on behalf of the Farmers State Bank of Genoa, Nebraska at the time fixed for said hearing before the Federal Reserve Board, under the terms of Section 9 of the Federal Reserve Act, or since that hour; and it appearing to the Federal Reserve Board that the said Farmers State Bank of Genoa, Nebraska, has failed to comply with the provisions of Section 9 of the Federal Reserve Act in that it has failed to maintain with the Federal Reserve Bank of Kansas City the reserve required by the Federal Reserve Act; in that in violation of the provisions of the Federal Reserve Act it has kept on deposit with banks not members of the Federal Reserve System balances in excess of 10% of its paid up capital and surplus; and in that in violation of the provisions of the Federal Reserve Act it has made new loans while the reserve balance it is required by the Federal Reserve Act to maintain was deficient;

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Upon motion duly made and seconded, the following resolution was unanimously adopted:

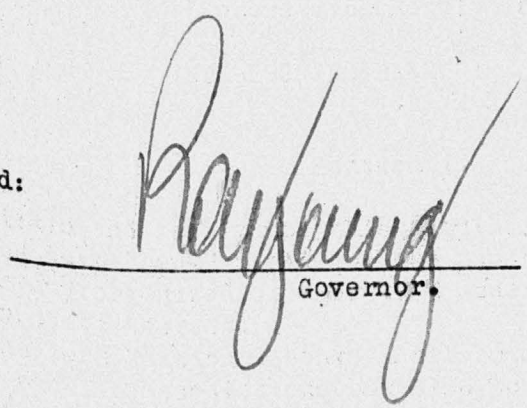
"Whereas, it appears to the Federal Reserve Board, from a consideration of the evidence and information received by it that the Farmers State Bank of Genoa, Nebraska, has failed to comply with the provisions of Section 9 of the Federal Reserve Act in that it has failed to maintain with the Federal Reserve Bank of Kansas City the reserve required by the Federal Reserve Act; in that in violation of the provisions of the Federal Reserve Act it has kept on deposit with banks not members of the Federal Reserve System balances in excess of 10% of its paid up capital and surplus; and in that in violation of the provisions of the Federal Reserve Act it has made new loans while the reserve balance it is required by the Federal Reserve Act to maintain was deficient;

"Now, therefore, be it resolved, that the Federal Reserve Board require and direct the Farmers State Bank of Genoa, Nebraska, under the terms of Section 9 of the Federal Reserve Act as amended, to surrender its stock in the Federal Reserve Bank of Kansas City and to forfeit all rights and privileges of membership in the Federal Reserve System as of the date on which notice of this action on the part of the Federal Reserve Board is received by the said bank."

The meeting adjourned at 5:15 P.M.


Secretary.

Approved:


Governor.