

A meeting of the Federal Reserve Board was held in the office of the Governor on Thursday, February 25, 1932, at 12:10 p. m.

PRESENT: Governor Meyer  
 Mr. Hamlin  
 Mr. Miller  
 Mr. James  
 Mr. Magee

Mr. Morrill, Secretary  
 Mr. McClelland, Assistant Secretary.

The minutes of the meetings of the Federal Reserve Board held on February 15 and 16 were approved.

The following matters of business were then considered and acted upon by the Board:

Letter dated February 18 from the Secretary of the Federal Reserve Bank of New York, and telegrams dated February 18 from the Chairmen of the Federal Reserve Banks of Kansas City and San Francisco and February 24 from the Chairman of the Federal Reserve Bank of Boston, all advising that at meetings of the Boards of Directors on the dates stated, no changes were made in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Telegraphic reply, approved by five members of the Board on February 20, to a telegram dated February 19 from Deputy Governor Logan of the Federal Reserve Bank of New York requesting authority to purchase from the Cliff Side Park National Bank of Cliff Side, New Jersey, a tax revenue note of the Borough of Cliff Side Park, in the amount of \$135,000; the reply stating that the Board authorizes the purchase with the understanding that the note conforms to all of the requirements of Regulation "E" except as to the proportion of the amount of the note offered to the total amount of out-

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standing warrants of the issuing municipality.

Reply approved.

Telegram to Deputy Governor Logan of the Federal Reserve Bank of New York, replying to his wire of February 24 requesting authority to purchase from the First National Bank, Spring Lake, New Jersey, \$40,000 of tax revenue notes of the Borough of Spring Lake; the reply stating that the Board authorizes the purchase with the understanding that the notes meet all of the requirements of Regulation "E" except that the population of the issuing municipality is less than 10,000, and that the amount offered, together with \$60,000 of such notes now held by the New York bank, exceeds 25% of the total amount of outstanding warrants of the municipality.

Reply approved.

Telegraphic reply, approved by five members of the Board on February 20, to a telegram dated February 19 from the Federal Reserve Agent at San Francisco submitting a question raised by a national bank as to the necessity for the pledging of securities by the bank against deposits of trust funds in the savings department of the bank; the reply stating that Section VIII of the existing Regulation "F" expressly provides that trust funds of a national bank awaiting investment or distribution may be deposited in the commercial department or the savings department of the bank provided it first delivers certain securities to the trust department, and that the fact that the savings department is not specifically mentioned in the last paragraph of Section VIII of the Regulation does not affect the necessity for such securities.

Reply approved.

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Telegraphic reply, approved by five members of the Board on February 20, to a letter dated February 18 from Deputy Governor Crane of the Federal Reserve Bank of New York advising of the action of the Board of Directors of the bank in voting, subject to the approval of the Federal Reserve Board, to authorize the officers to open and maintain an account on the books of the New York bank in the name of the Banco Central de Bolivia, La Paz, Bolivia, and to carry out operations in this market for that bank along the same general lines and subject to the same terms and conditions as for other foreign central banks having accounts with the Federal Reserve Bank of New York; the reply stating that the Federal Reserve Board approves the action taken by the Board of Directors of the New York bank.

Reply approved.

Reply, approved by five members of the Board on February 19, 1932, to a letter dated February 15 from the Chairman of the Federal Reserve Bank of Minneapolis stating that it would be necessary for him to go to New York on February 20, and inquiring whether there would be any objection on the part of the Board to his proceeding from there to San Antonio, Texas, for a month's vacation; the reply stating that the Board saw no objection to the Chairman's plans.

Reply approved.

Letter to The First National Bank of Monongahela City, Pennsylvania, approved by five members of the Board on February 23, advising of approval by the Federal Reserve Board of the application filed by the bank for permission to act, when not in contravention of state or local law, as trustee, executor, administrator, guardian of estates, assignee, receiver, and committee of estates of lunatics, the exercise of such rights to be subject

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to the provisions of the Federal Reserve Act and the Regulations of the Federal Reserve Board.

Letter approved.

Letter to The National Bank of Charleroi, Pennsylvania, approved by five members of the Board on February 20, advising of approval by the Federal Reserve Board of the bank's application for permission to act, when not in contravention of state or local law, as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity in which state banks, trust companies or other corporations which come into competition with national banks are permitted to act under the laws of the State of Pennsylvania, the exercise of such rights to be subject to the provisions of the Federal Reserve Act and the Regulations of the Federal Reserve Board.

Letter approved.

Letter to The State-National Bank of Peru, Illinois, approved by five members of the Board on February 19, stating that the Federal Reserve Board had considered the bank's application for permission to exercise trust powers and had authorized the bank to act, when not in contravention of state or local law, as trustee and guardian of estates only in the specific trusts in which the Peru National Bank and the Peru State Bank had been appointed and were acting on November 10, 1931, and that action had been deferred on the bank's application for full fiduciary powers until after an examination of the State-National Bank of Peru has been made.

Letter approved.

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Reply, approved by five members of the Board on February 19, 1932, to a letter dated February 11 from the Federal Reserve Agent at Dallas stating that he had not written the directors of the Kerens National Bank, Kerens, Texas, as required by Section IV(b) of Regulation D, concerning the bank's unsatisfactory reserve record, and inquiring whether the Board feels that such action should be taken; the reply stating that in view of the circumstances outlined in the Agent's letter and the fact that, in his opinion, letters to the directors as prescribed by the Regulation would not be appropriate in this case, the Federal Reserve Board will not require that they be sent.

Reply approved.

Letter to the President of The Chase Bank, New York City, New York, approved by five members of the Board on February 19, enclosing two copies of a report of an examination of the Shanghai Branch of The Chase Bank made by an examiner of the Federal Reserve Board as at the close of business October 31, 1931, and requesting that the report be brought to the attention of the Board of Directors of the bank and, after the directors have had a reasonable time to consider it, that the Board be furnished with their comments on the suggestions and criticisms made by the examiner. The letter also stated that as soon as the Federal Reserve Board receives the reports of examination of the other branches of The Chase Bank located in China, copies will be forwarded to the bank for its information.

Letter approved.

Reply, approved by five members of the Board on February 19, to a letter dated February 6 from the Federal Reserve Agent at Cleveland, en-

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closing copies of certain correspondence with regard to the closing of the Standard Trust Bank of Cleveland, including a draft of a proposed letter to be sent by the Governor of the Cleveland bank to Mr. A. Johnston, an official of the Brotherhood of Locomotive Engineers and one of the directors of the closed bank; the reply expressing the opinion of the Board that the proposed letter to Mr. Johnston should be redrafted and that in its revision the subject matter should be approached dispassionately from the standpoint of a desire solely to clear up such misunderstanding as may have arisen, by informing Mr. Johnston as to the facts and refraining from all expressions which might indicate ill feeling or an attitude of unfriendliness or criticism.

Reply approved.

Reply, approved by five members of the Board on February 19, to a letter dated January 23, 1932, from the attorneys of The Chase Bank, New York City, requesting a ruling of the Board or an opinion of its Counsel on the question whether The Chase Bank, a corporation organized under Section 25(a) of the Federal Reserve Act, has lawful authority to hold, as security for obligations due it immovable properties consisting of leasehold interests in real property situated in the colony of Hong Kong, China; the reply stating that corporations organized under Section 25(a) of the Federal Reserve Act have authority to borrow and lend money and generally to exercise such powers as are incidental to the powers conferred by that Section, under such rules and regulations as the Federal Reserve Board may prescribe, and that the Board is advised by its Counsel that in his opinion the power to accept and hold collateral security, including the "immovable properties" described, as well as other collateral, is incidental to the power of such

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corporations to lend money, and that, accordingly, The Chase Bank has lawful authority to accept and hold as security for loans such immovable properties situated in the colony of Hong Kong.

Reply approved.

Reply, approved by five members of the Board on February 18, to a memorandum dated February 6 from the Acting Comptroller of the Currency with reference to the application of the Central Valley National Bank, Central Valley, New York, for permission to reduce its capital stock from \$100,000 to \$75,000 by exchanging \$15 par stock for the present shares of \$20 par and crediting the released capital to undivided profits, it being the plan immediately following the reduction to increase the capital to \$100,050 by the sale of 1,670 new shares of \$15 par stock for \$19 a share and also to credit to undivided profits the premium of \$6,680; the Acting Comptroller recommending approval of the reduction and subsequent increase on condition (1) that no money be returned to stockholders, (2) that the money for the new stock be placed on deposit in the bank in a special account before the reduction is effected, (3) that the new stock be sold only to persons or concerns who have knowledge as to the present condition of the bank and the use to which the released capital and premium on the new stock are to be put, and (4) that the estimated losses shown in the last report of examination in the amount of \$34,338.88 be charged off. The reply stated that subject to the conditions recommended by the Acting Comptroller of the Currency, the Federal Reserve Board approves the proposed reduction in capital stock under the plan submitted, with the further understanding that the reduction will be authorized by a vote of shareholders owning two-thirds of the stock of the national bank.

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Reply approved.

Reply, approved by five members of the Board on February 24, to memoranda dated February 11 and 16, 1932, from the Acting Comptroller of the Currency with reference to an application filed by the Atlantic National Bank of Boston, Massachusetts, for permission to reduce its capital stock from \$9,875,000 to \$3,950,000, through a reduction in the par value of its stock from \$25 to \$10 per share, immediately thereafter increasing the capital to \$8,950,000 by the sale of 500,000 shares of \$10 par stock at a price of \$20 per share; the Acting Comptroller of the Currency recommending approval of the proposed reduction and increase on condition (1) that no money be returned to stockholders, (2) that the money for payment of the new stock be on deposit in a special account before the reduction is made effective, (3) that the new stock be sold only to persons or concerns who have knowledge as to the present condition of the bank and the use to which the released capital and premium on the new stock is to be put, (4) that the affairs of the Atlantic Corporation be absolutely divorced from the affairs of the national bank and its name changed so that it will have no similarity to the name of the bank, (5) that no additional loans or advances of any nature whatsoever be made by the bank to the corporation, and (6) that the amount of released capital and of the premium at which the new stock is sold be credited to undivided profits and at least \$10,000,000 of worthless, doubtful or depreciated values in the bank's assets charged off against the undivided profits account as thus increased. The reply stated that upon condition that a proposed agreement trusteeing the common stock of the Atlantic Corporation for the benefit of the shareholders of the Atlantic National Bank, be executed in the form sent to the Federal Reserve Board by

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the attorneys of the Atlantic National Bank in a letter dated February 17, 1932, and that a certified copy thereof as executed be furnished to the Federal Reserve Board prior to the effective date of the proposed reduction in capital stock, and subject to the conditions recommended by the Acting Comptroller of the Currency, the Federal Reserve Board approves the proposed reduction in capital stock in accordance with the plan submitted, with the understanding that the reduction has been or will be properly authorized by a vote of the shareholders owning two-thirds of the stock of the national bank. The reply also stated that it is understood that the proposed arrangements for trusteeing the common stock of the Corporation and for issuing to the bank certain preferred stock of the corporation in satisfaction of an indebtedness of the corporation to the bank, will not be considered inconsistent with the condition requiring a divorce of the affairs of the bank from the Corporation; and further that when all of the common stock of the Atlantic Corporation has been trusteeed for the shareholders of the Atlantic National Bank, and the Federal Reserve Board has received proper documentary evidence of this fact, the Board will proceed to cancel the agreement which was heretofore entered into by the Atlantic Corporation and the Board, in order that the stock of the former might be eligible for investment by national banks pursuant to Section 25 of the Federal Reserve Act, and will make no further examinations of such corporation and will require no further reports from it.

Reply approved.

Reply, approved by five members of the Board on February 19, to a letter dated January 25 from the Federal Reserve Agent at Boston giving detailed information with regard to the action of the Manchester Trust

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Company of South Manchester, Connecticut, a member, on January 4, 1932, in acquiring the assets and assuming the liabilities of the commercial department of the Home Bank and Trust Company of South Manchester, a nonmember; the reply stating that while it would appear from the information now before the Board that the transaction in all probability will not result in any change in the general character of the assets of the member bank or in the scope of the functions exercised by it within the meaning of the general condition under which it was admitted to membership in the Federal Reserve System, the Board is deferring final action on this question until after the next examination of the Manchester Trust Company which should be made within the next two or three months. The reply also suggested that the Federal Reserve Agent arrange to have a Federal reserve examiner participate in the examination for the purpose of making an investigation which will enable the agent to submit a further report to the Board regarding the classification of the assets held by the Manchester Trust Company at that time against any unpaid balance of the liabilities assumed from the Home Bank and Trust Company, as well as definite information as to the effect of the transaction on the general condition of the bank.

Reply approved.

Reply, approved by five members of the Board on February 23, to letters dated January 20 and 28, 1932, from the Federal Reserve Agent at Cleveland with further reference to the action of the Cleveland Trust Company, Cleveland, Ohio, a member bank, on January 11, 1932, in acquiring for liquidation the assets of the Midland Bank of Cleveland and in assuming certain of its liabilities; the reply requesting certain additional information with regard to the transaction referred to, and stating that upon

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receipt of the Agent's further report the Board will consider the question whether the transaction will result in any change in the general character of the assets of the Cleveland Trust Company or in the scope of the functions exercised by it within the meaning of the general condition under which the bank was admitted to the Federal Reserve System.

Reply approved.

Letter to the Federal Reserve Agent at Dallas, approved by five members of the Board on February 19, stating that in view of the information submitted by the Federal Reserve Agent, and inasmuch as it appears that the Forney State Bank of Forney, Texas, has violated the provisions of Section 9 of the Federal Reserve Act and of the Regulations of the Federal Reserve Board in that it has failed to maintain the reserve required by law and has failed to exercise its powers with due regard to the safety of its customers, the Federal Reserve Board, in accordance with the recommendation of the Board of Directors of the Dallas bank, has decided to institute proceedings looking toward the forfeiture of the membership of the bank. The letter also outlined the procedure to be followed by the Federal Reserve Agent in this matter, and enclosed a letter to the member bank to be forwarded by the Federal Reserve Agent, notifying the member bank that the Federal Reserve Board will hold a hearing in its offices at 11:00 o'clock on the morning of March 29, 1932, at which time the bank's representatives are requested to appear to show cause why the bank should not be required to surrender its stock in the Federal Reserve Bank of Dallas and to forfeit all rights and privileges of membership in the Federal Reserve System, and stating that in the event the bank desires to waive its right to appear before the Federal Reserve Board and provided it gives reasonable notice in advance both to the

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Federal Reserve Board and to the Federal Reserve Agent of its intention to appear before the Federal Reserve Agent, it may, through its representatives, appear before the Federal Reserve Agent at Dallas on a date to be fixed by the latter, to present such evidence as the bank may care to have transmitted to the Federal Reserve Board for its consideration in determining whether or not the bank should be required to surrender its stock in the Federal Reserve Bank of Dallas and to forfeit all rights and privileges of membership in the Federal Reserve System.

Letters approved.

Reply, approved by five members of the Board on February 24, to a letter dated December 28, 1931, from the attorneys for the Lawrence Warehouse Company of San Francisco, suggesting that a general conference of representatives of the Federal Reserve Board, the Department of Agriculture, the several Federal reserve banks, the American Acceptance Council, the American Warehousemen's Association, and the individual warehouse companies, be held in Washington during the month of February, 1932, for the purpose of discussing the general question of the sufficiency of warehouse receipts to meet the requirements of the Federal Reserve Act and the Board's Regulations; the reply stating that, as stated in the Board's letter of November 23, 1931, to the Executive Vice-President of the Lawrence Warehouse Company, it is not contemplated that the Federal Reserve Board will pass upon the merits of field warehousing in general either as conducted by the Lawrence Warehouse Company or any other company, that consideration is being given by the Board at the present time only to the specific question whether warehouse receipts issued under a particular state of facts such as those referred to in the Board's letter of November 23 comply with the requirements

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of the Federal Reserve Act and the Board's Regulations regarding warehouse receipts securing bankers' acceptances, and that the letter of November 23 was written by the Board solely with the view of affording the Lawrence Warehouse Company an opportunity, if desired, to submit supplementary information on that question. The letter also requested that the attorneys advise whether they desire to submit such supplementary information before the Board disposes of the matter.

Reply approved.

Letter to Senator J. Hamilton Lewis, approved by five members of the Board on February 19, with regard to a letter addressed to Senator Lewis by the President of the First National Bank, Livingston, Illinois, relative to a requirement of the Federal Reserve Bank of St. Louis that borrowings of the First National Bank of Livingston from the Federal Reserve bank be handled on a collateral note basis; the Board's letter stating that the matter was brought to the attention of the Federal Reserve Bank of St. Louis which has advised that a careful study was made of the condition of the national bank and the situation with respect to the community in which it is located, that the Federal Reserve bank reached the conclusion that a review of the situation every fifteen days would be helpful to the Board of Directors of the national bank as well as the officers and directors of the Federal Reserve bank, and that the reserve bank feels that under the collateral note procedure it is in a position to render more satisfactory service than might otherwise be the case. The letter also stated that it is the practice of Federal Reserve banks to require additional collateral in individual cases where it seems necessary or advisable from a credit standpoint, as this practice frequently enables them to extend accommodations

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to member banks which could not be safely or reasonably granted without a margin of collateral, and it appears that the First National Bank of Livingston has assets with which it can meet the requirements of the Federal Reserve bank without difficulty. The reply further stated that while the Board regrets that the President of the national bank evidently misunderstood the attitude of the Federal Reserve bank, it is essential to the proper administration of the Federal Reserve System that the determination of conditions under which a Federal Reserve bank will extend credit to a particular member bank and the procedure in connection therewith be left primarily to the judgment of the officers and directors of the Federal Reserve bank within the limitations of the law and the general regulations and rulings of the Board thereunder, and it appears that in this case the Federal Reserve bank has given the matter sympathetic consideration from the standpoint of a desire to be as helpful as possible in the circumstances.

Letter approved.

Reply, approved by five members of the Board on February 19, 1932, to a letter dated February 12, from Congressman Guy E. Campbell with which he enclosed a letter dated February 11 from the Vice-President of the Potter Title and Trust Company of Pittsburgh, Pennsylvania, criticizing the alleged practice of the Federal Reserve Bank of Cleveland in taking United States bonds as collateral for borrowings of member banks at their market price instead of their par value; the reply stating that the Federal Reserve Act contains no provision to the effect that the privilege of borrowing on the security of United States Government bonds shall be granted to member banks on the basis of the par value of such bonds, although the law does place upon the Board of Directors of each Federal Reserve bank, the

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responsibility of determining what discounts, advancements and accommodations may be safely and reasonably granted to each member bank, with due regard to the claims and demands of other member banks; that the Board feels that the question whether the privilege of borrowing on the security of Government bonds should be granted to a particular member bank on the basis of market or par value is one primarily for the exercise of the judgment of the Board of Directors of the Federal Reserve Bank concerned, and that in the circumstances it is suggested that, if the Vice-President of the Potter Title and Trust Company desires to pursue the question further, he take the matter up directly with the Federal Reserve Bank of Cleveland.

Reply approved.

Reply, approved by five members of the Board on February 23, to a letter dated February 13, 1932, from Congressman John C. Ketcham, with which he enclosed a letter dated February 6 from Mr. A. L. Jones, Three Rivers, Michigan, requesting information with regard to the eligibility for rediscount at Federal reserve banks of notes given in payment for livestock; the reply stating that under the provisions of the Federal Reserve Act, Federal reserve banks may rediscount notes, drafts and bills of exchange issued or drawn for commercial or agricultural purposes, or based upon livestock, and, if otherwise eligible for rediscount, such paper is not rendered ineligible by the pledge of goods or collateral of any nature as security therefor; and that the eligibility of particular notes, and their acceptability from a credit standpoint, are matters that necessarily must be determined by the Federal reserve banks as and when notes are presented for discount by member banks. The reply further stated that under the provisions of the so-called Glass-Steagall bill now before Congress, the

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security which might be accepted by Federal reserve banks for certain notes of member banks authorized by the bill would not be confined to the classes of paper now eligible for rediscount or purchase by Federal reserve banks; also that, while Mr. Jones is apparently under the impression that national banks may not make loans upon the security of chattel mortgages covering livestock and may not discount notes evidencing such loans, the law expressly recognizes the right of national banks to make loans of this character.

Reply approved.

Reply, approved by five members of the Board on February 24, to a letter dated December 22, 1931, from the Governor of the Federal Reserve Bank of San Francisco inquiring whether certain acceptances drawn to finance the storage of sugar in warehouses in the State of Utah, comply with the provisions of Section XI of the Board's Regulation A as to eligibility for discount by Federal reserve banks; the reply stating that if, (1) under the laws of Utah and the decisions of the courts of that state, the accepting banks or the trustees acting on their behalf have a valid lien on the sugar which is unquestionably good and enforceable as against the sugar company and its general creditors; (2) actual custody of, and effective control over, the sugar are held and exercised for the accepting banks or for the trustees acting in their behalf by custodians who are in fact entirely independent of the sugar company; (3) the warehouses in which the sugar is stored are completely and effectively separated from the premises occupied by the sugar company and, (4) the sugar company and its representatives are in fact allowed no access to such warehouses, except with the consent, and under the control of, such independent custodians, then the Board knows of no reason why bankers' acceptances issued under the circumstances described

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should not be eligible for discount by Federal reserve banks, provided they comply in all other respects with the provisions of the Federal Reserve Act and the Board's Regulations. The letter also stated that if, in the light of the above statement of the governing principles, the Governor of the San Francisco bank feels that there is any doubt as to the eligibility of the acceptances in question, it is suggested that he submit all facts bearing upon the matter to the counsel for the Federal Reserve Bank of San Francisco for an opinion.

Reply approved.

Reference was then made to a memorandum just received from the Governors' Conference, in session in the Board room, stating that the Conference had discussed the procedure to be followed under the provisions of the so-called Glass-Steagall bill, and had adopted the following resolution:

"The conference believes it desirable that as promptly as possible a regulation or letter be issued by the Federal Reserve Board outlining principles and procedure under sections 10(a) and 10(b) of the Glass-Steagall bill and the Governors present are prepared to aid in the preparation of this material in any way desired."

After a brief discussion, Governor Meyer was requested to advise the Governors' Conference that the Secretary of the Board with the assistance of the Board's Counsel, will discuss the matter with such representatives of the banks as may be selected by them to work out the procedure and forms, it being understood that the procedure to be followed will be reviewed by all Federal reserve banks and Counsel for the Board before it is submitted to the Board for consideration.

The Secretary reported to the Board the death on February 23, 1932, of W. M. Imlay, Fiscal Agent, and in this connection he discussed with the Board the desirability of the designation of some member of the Board's

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staff to act as Fiscal Agent pending further consideration of the matter by the Board.

Accordingly, upon motion, it was voted that J. C. Noell, Assistant Secretary, be designated also as Fiscal Agent of the Board with authority to perform all of the duties of Fiscal Agent as prescribed by law and the regulations and by-laws of the Federal Reserve Board, including, among other things, disbursements of the Board upon proper vouchers out of moneys advanced to him and placed to his official credit as Fiscal Agent with the Treasurer of the United States; that the said J. C. Noell be required to give an appropriate bond with proper surety in the amount of Forty Thousand (\$40,000) Dollars covering his service as Fiscal Agent; that the Secretary of the Treasury be advised of this action and be requested to honor requisitions by the Board for advances from the Federal Reserve Board's Special Fund in favor of Mr. Noell as Fiscal Agent; and that the Secretary of the Treasury be requested also to authorize the Treasurer of the United States to return the unexpended funds now standing to the credit of W. M. Imlay, Fiscal Agent, to the Federal Reserve Board's Special Fund, and to authorize the Treasurer of the United States to open an account in the name of J. C. Noell, Fiscal Agent of the Federal Reserve Board.

Consideration was then given to the action of the Board of Directors of the Federal Reserve Bank of New York, at its meeting today, in voting, subject to review and determination of the Federal Reserve Board, to establish a rate of 3% for all rediscounts and advances, effective from the opening of business February 26, 1932.

After a brief discussion, the discount rate of 3% on all classes of paper of all maturities, established by the directors of the New York bank, effective February 26, 1932, was approved.

Reports of Standing Committee dated February 19, 23 and 24, recommending approval of the following changes in stock at Federal Reserve banks:

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<u>Applications for ADDITIONAL Stock:</u>		<u>Shares</u>	
<u>District No. 2.</u>			
Manufacturers Trust Company, New York, N. Y.		5,961	5,961
<u>District No. 9.</u>			
First National Bank, Blooming Prairie, Minn.		1	
First National Bank, Lake Crystal, Minn.		1	
First National Bank in Mahanomen, Minn.		1	
Bloomington-Lake National Bank, Minneapolis, Minn.		2	
Third Northwestern National Bank, Minneapolis, Minn.		3	
American National Bank, St. Cloud, Minn.		3	
First National Bank, Geysler, Mont.		1	
First National Bank, Hardin, Mont.		1	
Sidney National Bank, Sidney, Mont.		2	
Security National Bank, Edgeley, N. Dak.		1	
Peoples National Bank, Hayward, Wisc.		3	
Iron Exchange Bank, Hurley, Wisc.		<u>1</u>	20
<u>District No. 12.</u>			
First National Bank, Oroville, Calif.		58	58
		<u>Total</u>	<u>6,039</u>
<u>Applications for SURRENDER of Stock:</u>			
<u>District No. 1.</u>			
United States Trust Company, Boston, Mass. (Decrease in capital and surplus)		1,260	1,260
<u>District No. 2.</u>			
Geneva Trust Company, Geneva, N. Y. (Decrease in surplus)		45	
Bank of Hammondsport, Hammondsport, N. Y. (Decrease in surplus)		30	
Marine Midland Trust Company, New York, N. Y. (Decrease in surplus)		2,400	
First Trust & Deposit Company, Syracuse, N. Y. (Decrease in surplus)		600	
Chatham Phenix National Bank and Trust Co., New York, N. Y. (V.L.Abs. by Manufacturers Trust Co.)		<u>16,740</u>	19,815
<u>District No. 4.</u>			
First National Bank, Boswell, Pa. (Insolvent)		48	
Home National Bank, Union City, Pa. (Insolvent)		<u>51</u>	99
<u>District No. 5.</u>			
Cumberland National Bank, Fayetteville, N. C. (Insolvent)		144	
Commercial National Bank, High Point, N. C. (Insolvent)		1,125	
Peoples National Bank, Martinsville, Va. (V.L.Abs. by First National Bank of Martinsville)		<u>108</u>	1,377

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<u>Applications for SURRENDER of Stock: (Cont'd)</u>	<u>Shares</u>	
<u>District No. 7.</u>		
City and State National Bank & Trust Co., Logansport, Ind. (V.L.Abs. by First National Bank of Logansport)	150	
Valparaiso National Bank, Valparaiso, Ind. (Insolvent)	150	
First National Bank, Palatine, Ill. (Insolvent)	38	
National Bank of America at Gary, Ind. (Insolvent)	180	
First National Bank, Oconomowoc, Wisc. (Insolvent)	<u>105</u>	623
<u>District No. 9.</u>		
Security National Bank, Willmar, Minn. (Decrease in surplus)	3	
First National Bank, Harlem, Mont. (Insolvent)	32	
First National Bank, Viborg, S. Dak. (Insolvent)	<u>35</u>	70
<u>District No. 10.</u>		
National Bank of Commerce, Wetumka, Okla. (V.L.Suc. by Exchange Bank of Commerce)	21	
First National Bank, Hiawatha, Kansas. (Insolvent)	<u>40</u>	61
<u>District No. 11.</u>		
First State Bank of Corsicana, Texas. (V.L.Abs. by State National Bank)	153	
First State Bank, Coahoma, Texas. (Insolvent)	17	
First National Bank, Needville, Texas. (V.L.Suc. by First State Bank)	34	
First State Bank, Slaton, Texas. (Insolvent)	<u>25</u>	229
<u>District No. 12.</u>		
South Gate National Bank, South Gate, Calif. (Insolvent)	36	
Bank of Southwestern Oregon, Marshfield, Oregon. (Insolvent)	72	
Colfax National Bank, Colfax, Wash. (V.L.Abs. by First Savings & Trust Co. of Whitman County, Colfax, Wash.)	<u>144</u>	<u>252</u>
	Total	23,686

Approved.

Reports of Standing Committee dated February 19 and 25, recommend-  
ing approval of the following Clayton Act applications:

Mr. Ben F. Read for permission to serve at the same time as  
director of the Dallas Bank and Trust Company of Dallas, Texas,  
as director of the First National Bank of Gorman, Texas, and as  
director and officer of the Merchants National Bank of Brownsville,  
Texas.

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Mr. W. G. Lacy for permission to serve at the same time as director and officer of the Citizens National Bank of Waco, Texas, and as director of the National Bank of West, Texas.

Mr. Frank Kell for permission to serve at the same time as director of the First National Bank in Dallas, Texas, and as director and officer of the City National Bank of Wichita Falls, Texas.

Mr. Charles R. Moore for permission to serve at the same time as director of the Republic National Bank and Trust Company of Dallas, Texas, and as director of the Oak Cliff Bank and Trust Company of Dallas, Texas.

Mr. Stanley A. Longmoor for permission to serve at the same time as officer of the First National Bank in Honey Grove, Texas, and as officer of the Republic National Bank and Trust Company of Dallas, Texas.

Approved.

Thereupon, the meeting adjourned.

Oester Mowles  
Secretary.

Approved:

W. G. Lacy  
Governor.