

A meeting of the Executive Committee of the Federal Reserve Board was held in Washington on Friday, August 24, 1934, at 3:30 p. m.

PRESENT: Mr. Thomas, Vice Governor  
Mr. Hamlin  
Mr. James

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary

The Committee considered and acted upon the following matters:

Telegrams dated August 22, 1934, from Mr. Curtiss, Chairman of the Federal Reserve Bank of Boston, August 23, 1934, from Mr. McClure, Chairman of the Federal Reserve Bank of Kansas City, and August 24, 1934, from Mr. Stevens, Chairman of the Federal Reserve Bank of Chicago, and letter dated August 23, 1934, from Mr. Roelse, Assistant Secretary of the Federal Reserve Bank of New York, 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.

Telegram to Mr. Clark, Secretary of the Federal Reserve Bank of Atlanta, reading as follows:

"Your telegram. Federal Reserve Board approves for your bank rate of one per cent per annum on commitments for industrial advances under provisions of Section 13b of Federal Reserve Act, as amended, effective immediately."

Approved.

Letter to Miss Daisy Callahan, reading as follows:

"The Federal Reserve Board accepts with regret, as of September 15, 1934, your resignation as Secretary to the Governor of the Federal Reserve Board, tendered in your letter of August 18."

Approved.

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Telegram dated August 22, 1934, approved by three members of the Board, to Mr. Burgess, Deputy Governor of the Federal Reserve Bank of New York, reading as follows:

"Your telegram August 20. Board approves salary at rate of \$500 per month fixed by your executive committee for Mr. Ludwig Bieringer in connection with his temporary employment as credit investigator in your credit department."

Approved.

Memorandum dated August 21, 1934, from the Committee on Salaries and Expenditures, submitting a letter from Mr. Walden, Controller of the Federal Reserve Bank of Richmond, which requested approval of changes in the personnel classification plan of the head office and Baltimore Branch to provide for the increases in the salary range of two positions in office service and personnel departments, of the head office and in the salary range of one position in the general service department of the branch. The memorandum stated that the committee had reviewed the proposed changes and recommended that they be approved.

Approved.

Telegram to Mr. Calkins, Governor of the Federal Reserve Bank of San Francisco, reading as follows:

"This refers to your telegrams of July 24 and August 3 with regard to whether State member banks which are associate members of San Francisco Stock Exchange will be required to discontinue membership in that Exchange. It appears that State member banks involved are Wells-Fargo Bank and Union Trust Company and American Trust Company, both of San Francisco; that prior to admission to membership in Federal Reserve System such banks became associate members of San Francisco Stock Exchange upon contribution of \$5,000 each; that such associate members have no participation in assets

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"of Exchange and no responsibility for its debts; that such associate members may not trade or be present on floor of Exchange during trading hours; that all orders for purchases or sales by such associate members must be effected through broker member of Exchange who is permitted to share brokerage fee with associate bank member; and that upon withdrawal each associate bank member would be entitled only to receive amount of its original contribution if that amount is available. In circumstances described, Board knows of no reason to require such State member banks to discontinue their associate memberships in San Francisco Exchange, assuming of course that banks have corporate power under State law to retain such associate memberships. Attention is invited to possibility that such Exchange may register as a national securities exchange under Securities Exchange Act of 1934 and that such banks will then be subject to certain provisions of that Act which are applicable to members of national securities exchanges, including provisions in section 7 with respect to extension and maintenance of credit by members and provisions of section 8 with respect to borrowing by members."

Approved.

Telegram dated August 22, 1934, approved by three members of the Board, to Mr. Curtiss, Federal Reserve Agent at the Federal Reserve Bank of Boston, reading as follows:

"Referring your letter August 16, 1934 re 'The Somerville Trust Company', Somerville, Massachusetts. In accordance with your recommendation Board grants an additional extension of time to September 30, 1934, within which the bank may comply with the provisions of condition numbered 3. Please advise the bank accordingly."

Approved.

Telegram to Mr. Sargent, Assistant Federal Reserve Agent at the Federal Reserve Bank of San Francisco, reading as follows:

"Referring your letter August 18, 1934, re 'The Bank of Spanish Fork', Spanish Fork, Utah, Board grants an extension of time to September 26, 1934, within which bank may accomplish its admission to membership. Please advise bank accordingly."

Approved.

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Letter to "The First National Bank of Jefferson Parish at Gretna",  
Gretna, Louisiana, reading as follows:

"The Federal Reserve Board has given consideration to your application for permission to exercise fiduciary powers, and grants you authority 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 Louisiana, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Federal Reserve Board.

"This letter will be your authority to exercise the fiduciary powers granted by the Board. A formal certificate covering such authorization will be forwarded to you in due course."

Approved.

Letter to the "First National Bank of Goshen", Goshen, Indiana,  
reading as follows:

"The Federal Reserve Board has given consideration to your application for permission to exercise fiduciary powers, and grants you authority to act, when not in contravention of State or local law, as trustee, executor, administrator, guardian of estates, and committee of estates of lunatics, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Federal Reserve Board.

"This letter will be your authority to exercise the fiduciary powers granted by the Board. A formal certificate covering such authorization will be forwarded to you in due course."

Approved.

Letter to "The Marion National Bank of Lebanon", Lebanon, Kentucky,  
reading as follows:

"The Federal Reserve Board has given consideration to your supplementary fiduciary application and, in addition to the authority heretofore granted to act as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates and assignee, grants you authority to act, when not in contravention of State or local law, as committee of estates of lunatics, the

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"exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Federal Reserve Board.

"This letter will be your authority to exercise the additional fiduciary power set forth above. A formal certificate covering such authorization will be forwarded to you in due course."

Approved.

Letter to "The Southern Illinois National Bank of East St. Louis", East St. Louis, Illinois, reading as follows:

"The Federal Reserve Board has given consideration to your application for permission to exercise fiduciary powers, and grants you authority 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 Illinois, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the Regulations of the Federal Reserve Board.

"This letter will be your authority to exercise the fiduciary powers granted by the Board. A formal certificate covering such authorization will be forwarded to you in due course.

"The Board feels that, if you are tendered any of the trusts now held by the Southern Illinois Trust Company, you should carefully scrutinize their condition and should not accept any of such trusts which, through their assumption, may be detrimental to the interests of your institution, particularly those trusts whose funds have been invested in participations in real estate mortgage bonds issued by the Southern Illinois Trust Company and Southern Illinois Company."

Approved.

Letter to Mr. Peyton, Federal Reserve Agent at the Federal Reserve Bank of Minneapolis, reading as follows:

"Reference is made to your letter of June 5, 1934, inclosing the application of 'The First National Bank and Trust Company in Sioux Falls', Sioux Falls, South Dakota, for permission to exercise additional fiduciary powers under the provisions of Section 11(k) of the Federal Reserve Act.

"The Board has considered the application and the information available in connection therewith. It is understood that,

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"since the bank was last examined by the national examiners, February 19, 1934, it has strengthened its capital structure through the sale of preferred stock to the Reconstruction Finance Corporation and has eliminated a large amount of undesirable assets, but that its condition is still unsatisfactory. It is understood, further, that the management of the bank, including its trust department, has been criticized by the examiners as weak and unsatisfactory, and that the strengthening of such management, which has been under consideration, has not as yet been accomplished.

"In view of the applicant's unsatisfactory condition, weak management and apparently limited knowledge of fiduciary matters, together with the adverse recommendations of yourself and the Comptroller of the Currency, the Board is unwilling to grant the bank any additional fiduciary authority at this time. You are requested, therefore, to advise The First National Bank and Trust Company in Sioux Falls, that the Board has denied its application.

"The Board will be pleased to consider a new application from the subject bank at a later date, in the event that its management, including that of the trust department, has been satisfactorily strengthened, and its general condition improved to such an extent that you are willing to recommend favorable action thereon."

Approved.

Letter to Mr. O'Connor, Comptroller of the Currency, reading as follows:

"In accordance with your recommendation, the Federal Reserve Board approves a reduction in the common capital stock of 'The First National Bank of Caledonia', Caledonia, New York, from \$50,000 to \$5,000, pursuant to a plan which provides that the bank's capital shall be increased by \$20,000 of new common stock which is to be sold only to persons or concerns who have knowledge as to the condition of the subject bank, and provides also that the released capital of \$45,000 shall be used to eliminate or reduce the least desirable assets in the bank, all as set forth in your memorandum of August 15, 1934.

"In considering the plan under which the reduction in common capital stock is to be effected, it has been noted that securities depreciation which will remain in the bank after the proposed adjustments are consummated, if considered as a loss, would seriously impair the bank's capital. It is assumed, however, that you have this condition in mind and that whenever it is feasible to do so, you will require such further corrections as may be practicable."

Approved.

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Letter to Mr. O'Connor, Comptroller of the Currency, reading as follows:

"In accordance with your recommendation, the Federal Reserve Board approves a reduction in the common capital stock of 'The First National Bank of Antioch', Antioch, Illinois, from \$80,000 to \$40,000, pursuant to an amended plan which provides that the bank's capital shall be increased by the sale of \$30,000 of Class 'A' preferred stock to the Reconstruction Finance Corporation, and \$10,000 of Class 'B' preferred stock to local interests, and that the released capital, together with a portion of the bank's surplus and undivided profits, shall be used to eliminate approximately \$44,211 of unsatisfactory assets, all as set forth in your memorandum of August 9, 1934.

"It is understood that the plan of reduction of common capital hereby approved supersedes the one approved by the Board on November 27, 1933."

Approved.

Letter to "Bankers Bond & Share Company", Omaha, Nebraska, reading as follows:

"The Federal Reserve Board has considered the application of Bankers Bond & Share Company, Omaha, Nebraska, for a permit under Section 5144 of the Revised Statutes of the United States, as amended, entitling it to vote the stock which it owns or controls of 'The Security National Bank of Laurel', Laurel, Nebraska, and of the 'Washington County Bank', Blair, Nebraska, and authorizes the issuance of such a permit to the Company upon the following conditions:

1. Prior to the issuance of the permit and not later than November 1, 1934, the Federal Reserve Agent at the Federal Reserve Bank of Kansas City shall receive advice that the Board of Directors of the Bankers Bond & Share Company has adopted a resolution in the form inclosed herewith marked 'Exhibit A'.
2. Prior to the issuance of the permit and not later than November 1, 1934, the Federal Reserve Agent at the Federal Reserve Bank of Kansas City shall receive advice that the Bankers Bond & Share Company has charged off or otherwise eliminated estimated losses of \$4,984.00 as shown in the report of examination of such Company as at April 17, 1934, as made by an examiner for the Federal Reserve Bank of Kansas City,

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"and, likewise, has charged off or otherwise eliminated net depreciation aggregating \$13,606.38 in its securities investment accounts based on an appraisal of the securities in such accounts as determined from the reports of examination of that Company and its subsidiary banks as made by examiners for the Federal Reserve Bank of Kansas City and for the Comptroller of the Currency as at April 17, 1934.

"The form of resolution inclosed herewith marked 'Exhibit A' ratifies the action of Mr. W. B. Roberts in executing the application for a voting permit on behalf of Bankers Bond & Share Company, and the action of Mr. C. D. Saunders in attesting thereto. This ratification is thought desirable because of the fact that the application filed with the Board is for a permit entitling 'Bankers Bond & Share Company' to vote the stock of the subsidiary member banks, whereas the original resolution constituting 'Exhibit C' of the application authorized the execution of an application entitling 'C. D. Saunders, Treasurer' to vote the stock of the subsidiary member banks. It is believed that this discrepancy will be remedied by an adoption of the inclosed form of resolution containing a ratification of the acts of these officers.

"When this resolution has been adopted by the Board of Directors of the Company, please forward two certified copies of the resolution to the Federal Reserve Agent at the Federal Reserve Bank of Kansas City, together with advice of your compliance with condition numbered 2. Upon receipt of advice from such Federal Reserve Agent that two properly certified copies of the resolution have been received by him, and that condition numbered 2 has been complied with, the Board will issue a voting permit to the Company.

"The Board is of the opinion that it is in the public interest that the books and published statements of a holding company affiliate should correctly reflect the value of its assets and the amount of its liabilities, and accordingly, the Board has required the elimination of estimated losses and net depreciation in securities as a condition precedent to the granting of a voting permit to the Company. In connection with condition numbered 2, the Board will raise no objection to a reduction of the capital stock of the Bankers Bond & Share Company for the purpose of complying with that condition.

"It is noted that the reports of examination indicate that the subsidiary banks of Bankers Bond & Share Company have a large concentration of funds invested in monthly installment automobile finance notes purchased from the Merchants Investment Company, which appears to be a related company. The Board feels that a commercial banking institution should not have an undue proportion of its funds invested in any one class or kind of assets,



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"and for that reason the attention of the Company is directed to this matter, in order that the situation may have consideration.

"The attention of the Company is also directed to the fact that the report of examination as at April 17, 1934, shows that its capital stock was impaired. It would also appear that on December 31, 1933, the capital stock of the Company was impaired.

"The report of examination shows that during the period January 1 to April 17, 1934, the Company paid dividends in the amount of \$886.52, and that during the year 1933 dividends amounting to \$3,164.94 were paid, although there is no indication whether any part of the dividends paid in 1933 was paid subsequent to December 21, 1933, the date of the application for a voting permit. The application executed by the Company on December 21, 1933, contains the following agreement:

"17. The Applicant expressly agrees that from the date of the filing of this application until the termination of any permit which may be granted hereunder, by revocation or otherwise, it will not directly or indirectly, by any device whatsoever, declare, pay, or set aside any dividend other than a stock dividend, or order or make any distribution, whether in cash, property, or otherwise, on any shares of its capital stock unless and except to the extent that the actual net earnings of the Applicant are sufficient therefor, and unless provision has first been made for any impairment in its capital, and such reserves have been established and such transfers have been made to surplus as may be required by law or provided for herein."

"Section 5144 of the Revised Statutes of the United States, as amended, contemplates that holding company affiliates shall build up reserves in order to provide adequate support to subsidiary member banks, and makes definite restrictions governing the payment of dividends by holding company affiliates. The attention of the Company is therefore directed to this matter in order that it may guard against any violation of the above agreement in the future."

Approved, together with the following letter  
to Mr. McClure, Federal Reserve Agent at the  
Federal Reserve Bank of Kansas City:

"The Federal Reserve Board has authorized the issuance to the Bankers Bond & Share Company, Omaha, Nebraska, of a permit under Section 5144 of the Revised Statutes of the United States, as amended, entitling it to vote the stock which it owns or controls of The Security National Bank of Laurel, Laurel, Nebraska, and the Washington County Bank, Blair, Nebraska, subject to the conditions prescribed in the inclosed letter which you are requested to forward to the Bankers Bond & Share Company with any additional comments you may deem advisable in view of the circumstances

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"involved. A copy of such letter is also inclosed for your files.

"It is requested that as soon as you receive from the Bankers Bond & Share Company two certified copies of the inclosed form of resolution marked 'Exhibit A', certified in form satisfactory to the Counsel for the Federal Reserve Bank of Kansas City, and information satisfactory to you that the condition numbered 2 contained in the inclosed letter has been complied with, you advise the Board by telegram to that effect. Upon receipt of such advice, a voting permit will be issued and sent directly to the applicant, and a copy of such permit will be forwarded to you. One of the certified copies of the resolution referred to above should be forwarded to the Board for its records.

"In connection with the comments contained in the inclosed letter, with regard to the large concentration of funds of the subsidiary banks of the Bankers Bond & Share Company in monthly installment automobile finance paper, it is suggested that when, from time to time, the reports of examination of the subsidiary banks are filed, you consider whether such subsidiary banks have an undue concentration of funds invested in such paper.

"In connection with the comments in the inclosed letter with regard to dividends which have been paid by the applicant while its capital was impaired and with regard to the agreement of the applicant that it will not pay dividends except out of actual net earnings, it is suggested that you review the future reports of examination of the applicant to determine whether it complies with such agreement.

"For your information, the amount of depreciation to be charged off by the Bankers Bond & Share Company was arrived at as follows:

	Capital Structure*	Outstand- ing Shares	Shares Owned	Value Owned	Shs. Carried at
Washington County Bank	\$46,235.36	350	270	\$35,667.28	\$32,320.00
The Security National Bank of Laurel	36,087.31	250	210	30,313.34	37,825.00
Bank of Florence	36,371.68	250	210	30,552.21	28,027.50
Nebraska State Bank	32,539.42	250	143	18,612.55	30,600.00
				\$115,145.38	\$128,772.50
					<u>115,145.38</u>
					\$ 13,627.12
* After deducting estimated losses and adjusting for depreciation and/or appre- ciation in securities		Excess carrying value Less: Appreciation in U. S. Govt. bonds			20.74
					<u>\$ 13,606.38</u>

"It will be observed that the requirements of the Board with respect to the eliminations to be made by the Bankers Bond & Share Company are similar to the requirements made in connection with the admission of banks to membership."

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Letter to Mr. Curtiss, Federal Reserve Agent at the Federal Reserve Bank of Boston, reading as follows:

"This refers to Mr. McRae's letter dated July 10, 1934, with which was inclosed a copy of a letter dated June 4, 1934, from the Old Colony Trust Company, Boston, Massachusetts, with regard to the question whether eighteen non-banking affiliates of The First National Bank of Boston, Boston, Massachusetts, are affiliates of the Old Colony Trust Company, Boston, Massachusetts, within the meaning of Section 2(b) of the Banking Act of 1933.

"It is understood from the letter of June 4, 1934, from Old Colony Trust Company, that a majority of the stock of each of the eighteen corporations is held by The First National Bank of Boston for its own benefit, and that substantially all of the stock of the Old Colony Trust Company is held by three persons as trustees for the benefit of the stockholders of The First National Bank of Boston, but that such stockholders do not control the trustees. It is also understood that a majority of the directors of none of the eighteen corporations in question are directors of the Old Colony Trust Company.

"Upon the basis of the above understanding of the facts involved, the Board agrees with the conclusion of the Old Colony Trust Company that the eighteen corporations in question are not affiliates of the trust company within the meaning of section 2(b) of the Banking Act of 1933. Accordingly, the Board is of the opinion that it is not necessary for the eighteen corporations to be listed on Schedule O by the Old Colony Trust Company or to be reported on Form 220 and Form 220-a, and it will be appreciated if you will so advise the trust company."

Approved.

Telegram to Mr. Fletcher, Assistant Federal Reserve Agent at the Federal Reserve Bank of Cleveland, reading as follows:

"Retel August 20. Question (1) In individual cases in the past where reports of affiliates have not been currently submitted Board has not asked for submission and publication of reports for past call dates provided it appeared that such requirement would serve no practical purpose and that failure to submit reports was due to ignorance or misunderstanding of the law and indicated no purpose of evasion. This policy will be continued though any such state member banks should be asked to submit and publish, if publication is required, reports as of the last preceding call date. Question (2) Affiliations of National banks

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"should be referred to the Comptroller of the Currency."

Approved.

Telegram dated August 22, 1934, approved by three members of the Board, to the Governors of all Federal Reserve Banks, reading as follows:

"Re Board's wire August 20, Trans. 2056, advising that beginning August 22 published condition report of Federal reserve banks will show amount of commitments entered into to make industrial advances under section 13b of Federal Reserve Act. In your daily wire report to Federal Reserve Board, Form B-1, against Code word QUOTE MENT UNQUOTE, please include as commitments only the amount of transactions represented by definite binding agreements to discount or purchase or make loans or advances within a stated future period as distinguished from the ordinary approval of an application for a loan, discount or advance to be made as soon as necessary details can be arranged. Ordinarily such agreements will be transactions with respect to which your bank charges a commitment fee or is entitled to charge such a fee. Mere offers by your bank which have not been finally accepted by the prospective borrower or financing institution should not be reported as commitments, nor should incomplete or pending negotiations. Until the procedure has become well established it is suggested that you consult your counsel as to whether particular transactions constitute commitments and thereafter in any case in which your bank is in doubt."

Approved.

Telegram dated August 22, 1934, approved by three members of the Board, to the Federal reserve agents at all Federal reserve banks, reading as follows:

"Referring Board's letter B-1000 of July 18, until further notice please have weekly reporting member banks report the memorandum item 'Net demand deposits subject to reserve' shown at end of revised weekly member bank condition report, Form B-21."

Approved.

Letter to Mr. Dillard, Deputy Governor of the Federal Reserve Bank of Chicago, reading as follows:

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"The informal conclusions which you have reached with regard to the questions raised in our letter of July 2 regarding the operation of the leased wire system have been carefully considered. We have no suggestions to offer in regard thereto except that some further consideration be given to the desirability of including in the expense of operating the leased wire system the cost of messenger service and of printing and stationery used in connection therewith."

Approved.

Letter to Mr. Gardner B. Perry, Vice President of the Northwest Bancorporation, Minneapolis, Minnesota, reading as follows:

"Receipt is acknowledged of your letter of August 7, 1934, inclosing a copy of a letter addressed to Mr. F. G. Awalt, Deputy Comptroller of the Currency, in connection with the matter of qualifying directors in subsidiary banks of the Northwest Bancorporation and with particular reference to the qualification of directors of a proposed new national bank to take over the assets of an existing bank at Norfolk, Nebraska, and requesting from the Federal Reserve Board, as well as from the Comptroller of the Currency, approval of the proposed method of qualifying directors of subsidiary banks of the Northwest Bancorporation.

"You advised that in the case described the present directors of the old bank are the only available directors for the proposed new bank but that they are unable or unwilling to raise the necessary money to purchase the necessary qualifying shares of the new bank. It is understood that the Northwest Bancorporation contemplates purchasing the necessary qualifying shares and selling such shares to the directors, taking their notes in payment and also taking from each of such directors an option agreement for the sale of the stock to the Northwest Bancorporation on any annual meeting date, or in the event of the death, insolvency or bankruptcy of the director. It also appears that the note of the director may be paid by return of the stock certificate for which it was given and that interest on the note is not to exceed dividends on the shares of stock.

"It is understood that the office of the Comptroller of the Currency has advised you that such proposed arrangement would not conform to the requirements of the National Bank Act applicable to the qualification of directors of national banks. The applicable provisions of the National Bank Act are administered by the office of the Comptroller of the Currency but, in view of your request for an expression of the Board's views in this matter, you are advised that the Board knows of no reason to differ from the conclusion reached by the office of the Comptroller of the Currency.

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"While your letter referred specifically only to a national bank, your attention is called to the fact that the Federal Reserve Act does not contain any provisions with regard to the number of shares which must be held by each director of a State bank which is a member of the Federal Reserve System or with regard to the manner in which such shares must be held. However, in the case of any State bank consideration should, of course, be given to whether the directors of the bank are qualified through stock ownership or otherwise in accordance with the requirements of any applicable provisions of State law."

Approved.

Letters to the following applicants for permits under section 32 of the Banking Act of 1933; each letter stating that, on the basis of the information before it, the Board believes that the Irving Investors Management Co., Inc., may not be regarded as being "engaged primarily in the business of purchasing, selling or negotiating securities" within the intentment of the provisions of Section 32, and that, in the circumstances, a permit covering the applicant's service to that company and to the Irving Trust Company is not necessary, but that the Irving Investors Fund C, Inc., appears to have carried on actively the purchase and sale of securities to such an extent that the Board believes it is "engaged primarily in the business of purchasing, selling, or negotiating securities" within the meaning of Section 32, and that the applicant's relationship to the Irving Trust Company and the Irving Investors Fund C, Inc., is within the class which it is believed the section was designed to terminate, and that the Board, therefore, is unable to find that it would not be incompatible with the public interest as declared by Congress to grant the application, although in the event the applicant desires to submit further facts or arguments in support of his application the Board is prepared to give them careful consideration:

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Mr. Robert C. Effinger, for permission to serve at the same time as vice-president of the Irving Trust Company, as president and director of the Irving Investors Management Co., Inc., and as president and director of Irving Investors Fund C, Inc., all of New York, New York.

Mr. Harold A. Hatch, for permission to serve at the same time as a director of the Irving Trust Company, as a director of the Irving Investors Management Co., Inc., and as a director of Irving Investors Fund C, Inc., all of New York, New York.

Mr. Lewis E. Pierson, for permission to serve at the same time as chairman of board and a director of the Irving Trust Company, as a director of the Irving Investors Management Co., Inc., and as a director of the Irving Investors Fund C, Inc., all of New York, New York.

Mr. Harry E. Ward, for permission to serve at the same time as president and director of the Irving Trust Company, as a director of the Irving Investors Management Co., Inc., and as a director of Irving Investors Fund C, Inc., all of New York, New York.

Approved.

Letter to the following applicant for a permit under section 32 of the Banking Act of 1933; the letter stating that the relationship covered by the application appears to come within the class which the Board believes section 32 was designed to terminate, and that the Board, therefore, is unable to find that it would not be incompatible with the public interest, as declared by Congress, to grant the application, although in the event the applicant desires to submit further facts or arguments in support of the application the Board is prepared to give them careful consideration:

Mr. Alton S. Keeler, for permission to serve at the same time as vice president of the United States Trust Company of New York, and as a director of the Capital Management Corporation, both of New York, New York.

Approved.

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Letter to Mr. Austin, Federal Reserve Agent at the Federal Reserve Bank of Philadelphia, stating that the Board has given consideration to the following application for a permit under the Clayton Act, and that, upon the basis of the information before it, concurs in the agent's opinion that the issuance of the permit applied for would be incompatible with the public interest. The letter also requested the agent to communicate to the applicant the Board's position in the matter, and to advise the Board promptly as to whether the applicant desires to submit any additional data, and, if not, as to what steps he proposes to take in order to comply with the provisions of the Clayton Act.

Mr. J. H. Ward Hinkson, for permission to serve as a director of The First National Bank of Chester, Chester, Pennsylvania, as a director of the Chester-Cambridge Bank and Trust Company, Chester, Pennsylvania, and as a director of The Ridley Park National Bank, Ridley Park, Pennsylvania.

Approved.

Letters to the respective Federal Reserve Agents inclosing the following Clayton Act permits for transmission to the applicants, each letter requesting that when the agent submits his recommendation as a result of his annual review of the permit, he report fully as to the applicant's attendance at directors meetings:

Mr. T. E. Didlake, for permission to serve at the same time as a director of The Peoples National Bank of Manassas, Manassas, Virginia, and as a director of The Bank of Nokesville, Incorporated, Nokesville, Virginia.

Mr. F. W. Olin, for permission to serve at the same time as a director of The Wood River National Bank, Wood River, Illinois, as a director of the Illinois State Bank of East Alton, East Alton, Illinois, and as a director of the First National Bank & Trust Company in Alton, Alton, Illinois.



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Mr. J. M. Olin, for permission to serve at the same time as a director and officer of The Wood River National Bank, Wood River, Illinois, as a director and officer of the Illinois State Bank of East Alton, East Alton, Illinois, and as a director of the First National Bank & Trust Company in Alton, Alton, Illinois.

Mr. H. H. Wilkinson, for permission to serve at the same time as a director and officer of the Continental National Bank of Fort Worth, Fort Worth, Texas, as a director and officer of the Continental Bank and Trust Company, Fort Worth, Texas, and as a director and officer of the Continental State Bank of Beckville, Beckville, Texas.

Approved.

Letters to applicants for permits under the Clayton Act, advising of approval of their applications as follows:

Mr. Frank J. Kelly, for permission to serve at the same time as a director of The Lechmere National Bank of Cambridge, Cambridge, Massachusetts, and as an officer of the Harvard Trust Company, Cambridge, Massachusetts.

Mr. Reuben J. Freed, for permission to serve at the same time as a director and officer of The First National Bank of Perkasio, Perkasio, Pennsylvania, and as a director of Quakertown Trust Company, Quakertown, Pennsylvania.

Mr. Joseph R. Grundy, for permission to serve at the same time as a director and officer of The Farmers National Bank of Bucks County, Bristol, Pennsylvania, and as a director of The Doylestown National Bank and Trust Company, Doylestown, Pennsylvania.

Mr. E. B. Beall, for permission to serve at the same time as an officer of The Commercial Savings Bank Company, Galion, Ohio, and as a director of the First National Bank in Crestline, Crestline, Ohio.

Mr. J. L. King, for permission to serve at the same time as a director of The Lincoln National Bank of Hamlin, Hamlin, West Virginia, and as a director of The Oil Field National Bank of Griffithsville, Griffithsville, West Virginia.

Mr. W. C. Kingry, for permission to serve at the same time as a director of The Lincoln National Bank of Hamlin, Hamlin, West Virginia, and as a director of The Oil Field National Bank of

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Griffithsville, Griffithsville, West Virginia.

Mr. A. Dudley Sydnor, for permission to serve at the same time as a director of the Union Bank and Trust Company of Amelia, Amelia, Virginia, and as a director of The First National Bank of Blackstone, Blackstone, Virginia.

Mr. Ed L. Abington, for permission to serve at the same time as a director and officer of the Bank of Poplar Bluff, Poplar Bluff, Missouri, and as a director and officer of The National Bank of Caruthersville, Caruthersville, Missouri.

Mr. Hugo L. Boeving, for permission to serve at the same time as a director of the Bank of Poplar Bluff, Poplar Bluff, Missouri, and as a director of The National Bank of Caruthersville, Caruthersville, Missouri.

Mr. J. M. Jayne, for permission to serve at the same time as a director and officer of The Scotland County National Bank of Memphis, Memphis, Missouri, and as a director and officer of the Jayne Banking Company, Gorin, Missouri.

Mr. R. E. Marshall, for permission to serve at the same time as a director of The Wood River National Bank, Wood River, Illinois, and as a director of the Illinois State Bank of East Alton, East Alton, Illinois.

Mr. H. V. Meyer, for permission to serve at the same time as a director and officer of the Illinois State Bank of East Alton, East Alton, Illinois, and as a director of The Wood River National Bank, Wood River, Illinois.

Mr. T. J. Baker, for permission to serve at the same time as a director and officer of The Central National Bank of Okmulgee, Okmulgee, Oklahoma, and as a director and officer of The Bank of Beggs, Beggs, Oklahoma.

Mr. H. L. Campbell, for permission to serve at the same time as a director and officer of the Farmers State Bank, Kilgore, Nebraska, and as a director of The First National Bank of Valentine, Valentine, Nebraska.

Mr. D. K. Balch, for permission to serve at the same time as a director and officer of the Union State Bank, Formoso, Kansas, and as a director of the First National Bank in Mankato, Mankato, Kansas.

Mr. F. R. Fair, for permission to serve at the same time as a director and officer of the First National Bank in Mankato,

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Mankato, Kansas, as a director of the Union State Bank, Formoso, Kansas, and as a director of the Burr Oak State Bank, Burr Oak, Kansas.

Mr. J. P. Fair, for permission to serve at the same time as a director and officer of the First National Bank in Mankato, Mankato, Kansas, as a director and officer of the Union State Bank, Formoso, Kansas, and as a director and officer of the Burr Oak State Bank, Burr Oak, Kansas.

Mr. R. R. Jackson, for permission to serve at the same time as a director and officer of The First National Bank in Blair, Blair, Oklahoma, and as a director and officer of The First National Bank of Lone Wolf, Lone Wolf, Oklahoma.

Mr. O. N. Rowe, for permission to serve at the same time as a director and officer of The First National Bank in Blair, Blair, Oklahoma, and as a director of The First National Bank of Lone Wolf, Lone Wolf, Oklahoma.

Mr. J. D. Larrick, for permission to serve at the same time as a director of The First National Bank of Gaylord, Gaylord, Kansas, and as a director of the Exchange Bank, Lenora, Kansas.

Mr. W. L. Leidig, for permission to serve at the same time as a director and officer of The First National Bank of Gaylord, Gaylord, Kansas, and as a director and officer of The Exchange Bank, Lenora, Kansas.

Mr. John H. Eriksen, for permission to serve at the same time as a director and officer of the Continental National Bank of Fort Worth, Fort Worth, Texas, and as a director and officer of the Continental Bank and Trust Company, Fort Worth, Texas.

Mr. C. D. Lusk, for permission to serve at the same time as a director of the Continental National Bank of Fort Worth, Fort Worth, Texas, and as a director of the Continental Bank and Trust Company, Fort Worth, Texas.

Mr. E. M. Perkins, for permission to serve at the same time as a director of the Continental National Bank of Fort Worth, Fort Worth, Texas, as a director of the Continental Bank and Trust Company, Fort Worth, Texas, and as a director of the Continental State Bank, Petrolia, Texas.

Mr. J. E. Willis, for permission to serve at the same time as a director and officer of the Continental National Bank of Fort Worth, Fort Worth, Texas, and as a director of the Continental State Bank of Tolar, Tolar, Texas.

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Mr. Edward H. Winton, for permission to serve at the same time as a director and officer of the Continental National Bank of Fort Worth, Fort Worth, Texas, as a director and officer of the Continental Bank and Trust Company, Fort Worth, Texas, and as a director of the Continental State Bank of Tolar, Tolar, Texas.

Mr. T. B. Poindexter, for permission to serve at the same time as a director and officer of The First National Bank of Wortham, Wortham, Texas, and as a director of The Teague National Bank, Teague, Texas.

Mr. G. N. Bech, for permission to serve at the same time as an officer of The Sebastopol National Bank, Sebastopol, California, as an officer of The Analy Savings Bank, Sebastopol, California, and as an officer of the Bank of Guerneville, Guerneville, California.

Mr. A. F. Cochran, for permission to serve at the same time as a director and officer of The Sebastopol National Bank, Sebastopol, California, and as a director and officer of The Analy Savings Bank, Sebastopol, California.

Mr. F. P. Doyle, for permission to serve at the same time as a director of The Sebastopol National Bank, Sebastopol, California, as a director and officer of the Exchange Bank, Santa Rosa, California, and as a director of the Bank of Guerneville, Guerneville, California.

Mr. H. B. Fuller, for permission to serve at the same time as a director and officer of The Sebastopol National Bank, Sebastopol, California, as a director and officer of The Analy Savings Bank, Sebastopol, California, and as a director and officer of the Bank of Guerneville, Guerneville, California.

Mr. Henry Hess, for permission to serve at the same time as a director of The Sebastopol National Bank, Sebastopol, California, and as a director of The Analy Savings Bank, Sebastopol, California.

Mr. L. M. Petersson, for permission to serve at the same time as an officer of The Sebastopol National Bank, Sebastopol, California, and as an officer of The Analy Savings Bank, Sebastopol, California.

Mr. Thomas Silk, for permission to serve at the same time as a director of The Sebastopol National Bank, Sebastopol, California, and as a director and officer of The Analy Savings Bank, Sebastopol, California.

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Mr. A. B. Swain, for permission to serve at the same time as a director and officer of The Sebastopol National Bank, Sebastopol, California, as a director and officer of The Analy Savings Bank, Sebastopol, California, and as a director and officer of the Bank of Guerneville, Guerneville, California.

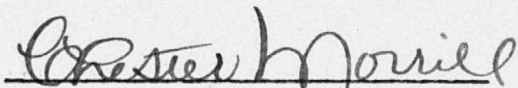
Approved.

There were then presented the following applications for changes in stock of Federal reserve banks:

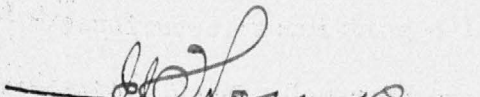
<u>Applications for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 4.</u>		
Wellsburg National Bank, Wellsburg, West Virginia	72	72
<u>District No. 8.</u>		
First National Bank in Clinton, Clinton, Kentucky.	36	36
	<u>Total</u>	<u>108</u>

Approved.

Thereupon the meeting adjourned.

  
Secretary.

Approved:

  
Vice Governor.