

A meeting of the Executive Committee of the Federal Reserve Board was held in Washington on Monday, August 27, 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:

Letter to the board of directors of the "Central Trust Company Rochester N. Y.", Rochester, New York, stating that, subject to the conditions prescribed in the letter, the Board approves the bank's application for membership in the Federal Reserve System and for the number of shares of stock of the Federal Reserve Bank of New York to which the trust company will be entitled upon the basis of its capital and surplus as of the date upon which its membership becomes effective.

Approved.

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

"This refers to Mr. Young's letter of July 19, 1934, submitting the plan of reorganization under which the 'Grosvenor Savings Bank', Jonesville, Michigan, was reopened and resumed normal banking functions on March 12, 1934.

"In this connection, it has been noted that under the plan of reorganization the bank reduced its capital from \$50,000 to \$32,700. As you know, the Board has previously ruled that a State member bank may not, while remaining a member bank, reduce its capital stock below the amount required for the organization of a national bank in the place in which the State bank is located. Since it is understood that Jonesville, Michigan, has a population of approximately 1,300 inhabitants, the capital required for the organization of a national bank in a place of that size is \$50,000. Accordingly, the action of the Grosvenor Savings Bank in reducing its capital to \$32,700 constitutes a violation of the requirements

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"of the Federal Reserve Act for which the bank's membership in the Federal Reserve System might be forfeited in accordance with the provisions of section 9 of the Federal Reserve Act. However, whether such action should be taken is one of policy for the Board's consideration in view of all the circumstances involved in the particular case; and in view of the many eliminations of undesirable assets which have been effected as a result of the reorganization of the subject bank and the fact that Mr. Young has advised that your office, due to a misunderstanding of the Board's interpretation of the relevant provisions of section 9, recommended that a license to reopen be issued to this bank on the basis of a capital of \$32,700, the Board will not take any action with regard to the termination of the bank's membership at this time. The Board, however, reserves the right to take any action at any time with regard to this matter which may seem advisable in the light of the circumstances then existing although, of course, the Board would not take final action without first notifying the bank and granting it an opportunity to be heard. You are requested, therefore, if you have not already done so, to advise the Grosvenor Savings Bank of the Board's position in this matter.

"It is observed that your office has been in frequent communication with the officers of this bank in an effort to bring about the required increase in its capital but that thus far no definite advice has been received that such increase will be made. In the circumstances, if the bank's paid up and unimpaired capital has not been restored to at least \$50,000 within six months from the date of this letter, you are requested to advise the Board as to the condition of the bank at that time, as to any steps which have been taken to provide for the required increase in its capital, and as to any action which you and your board of directors recommend."

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 Beeville', Beeville, Texas, from \$100,000 to \$50,000, pursuant to a plan which provides that the bank's capital shall be increased by the sale of \$50,000 of preferred stock to the Reconstruction Finance Corporation and that the released capital shall be used to eliminate or reduce a corresponding amount of undesirable assets, all as set forth in your letter of August 15, 1934."

Approved.

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

"Receipt is acknowledged of Deputy Comptroller Gough's letter of August 18, 1934, in regard to the proposed reduction in capital stock of 'The First National Bank of Buhl', Buhl, Minnesota, which was approved by the Board on June 8, 1934, in accordance with the recommendation contained in your memorandum of May 25, 1934.

"The contemplated change in the amount of the proposed common capital reduction, from \$15,000 to \$10,000, is acceptable to the Board, it being understood that the other provisions of the plan as originally approved remain unchanged."

Approved.

Letter to Mr. Walter Lichtenstein, Secretary, Federal Advisory Council, Chicago, Illinois, reading as follows:

"Reference is made again to your letter of August 13, 1934, with regard to topics for discussion by the Federal Advisory Council at its next regular meeting in Washington on September 17 and 18, 1934.

"The Board will appreciate it if the members of the Council will be prepared to report on the results in their respective districts of the work of the Federal reserve banks in the field of advances for the purpose of furnishing working capital to established industrial and commercial concerns, particularly with regard to whether it has resulted in any change in the attitude of commercial banks in connection with the extension of credit. The Board would also like to have any suggestions which the Council may wish to make as to how the program could be made more effective in achieving the results sought by the enactment of the legislation.

"In connection with the above, it is suggested that each member of the Council be prepared also to report on current business conditions in his district.

"Recently a committee was appointed by the Board to study banking laws and to formulate a legislative program to be submitted to the Board for consideration. The committee is working on this problem at the present time and the Board will be glad to have the Council suggest at its meeting any matters which it would like to have considered by the committee.

"The Board would be interested also in having the Council's opinion as to what, if any, steps should be taken

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"by the Federal Reserve Board to supplement the present activities of the Federal Reserve System to bring about a better understanding by the public of the System and its operations."

Approved.

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

"In accordance with your suggestion, your letter of August 8, 1934 with the copy of a survey of the Auditing Department of the Federal Reserve Bank of Minneapolis has been referred to Mr. Drinnen for review and reply. The Board appreciates your compliance with the request of its examiner that a survey be made and steps taken to strengthen the Auditing Department."

Approved.

Letter to Mr. Boies C. Hart, Vice President, The National City Bank of New York, New York, reading as follows:

"In your letter of January 25, 1934, in connection with the request of your bank that the Board modify its regulations governing the payment of interest on time deposits so far as deposits in foreign branches of member banks were concerned, you furnished information regarding the rates of interest being paid in the various foreign countries where you have branches. It will be appreciated if you will inform the Board what rates are now being paid by your foreign branches and by banks competing with them."

Approved, together with letters to The First National Bank, Boston, Mass., the Chase National Bank, the Bankers Trust Company and the Guaranty Trust Company, New York, N. Y., and the Bank of America National Trust & Savings Association, San Francisco, Calif., reading as follows:

"Section 19 of the Federal Reserve Act, as amended by the Banking Act of 1933, requires that the Federal Reserve Board shall limit by regulation the rate of interest which may be paid by member banks on time deposits. It also provides that the Board may prescribe different rates for such payment subject to different conditions by reason of different locations."

"In this connection the Board has been requested to modify its regulations in order to enable the foreign branches of member banks to meet competition. It will be appreciated if you will inform the Board what rates of interest are being paid

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"on time deposits by your foreign branches and by the banks competing with them, and make any suggestions you feel appropriate with respect to changes in existing regulations as they affect the payment of interest by your foreign offices."

Letters dated August 24, 1934, approved by three members of the Board, to Mr. Fred I. Kent, New York, New York, referring respectively to his application under section 32 of the Banking Act of 1933 for permission to serve at the same time as a director of the Bankers Trust Company, New York, New York, as a director of the Scarsdale National Bank and Trust Company, Scarsdale, New York, and as a director of the Capital Management Corporation, New York, New York, and his application for permission to serve at the same time as a director of the Bankers Trust Company, New York, New York, as a director of the Scarsdale National Bank and Trust Company, Scarsdale, New York, and as a director of the Overseas Securities Co., New York, New York. Each letter stated 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 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.

Approved.

Letter to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, reading as follows:

"Reference is made to the Clayton Act application of Mr. Howard S. Lyon, Somerville, New Jersey, for permission to serve at the same time as an officer of Somerville Trust Company,

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"Somerville, New Jersey, and as director of The First National Bank of Belvidere, Belvidere, New Jersey, and to the Board's letter of May 26, 1934 and your letters of June 5, and June 8, 1934 with inclosures, relative thereto.

"In the further consideration of this case, the Board communicated with the Comptroller of the Currency in an endeavor to ascertain the extent of Mr. Lyon's responsibility, if any, for the unsatisfactory condition of the Phillipsburg National Bank and Trust Company, Phillipsburg, New Jersey, upon which the Board's disapproval of his application was largely based. The Comptroller advised that the reports of examination and the correspondence files of The First National Bank of Belvidere, Belvidere, New Jersey, and of the Phillipsburg National Bank and Trust Company, Phillipsburg, New Jersey, to which the Board's Division of Examinations had given consideration when the application of Mr. Lyon was analyzed, contained all of the information with respect to Mr. Lyon which was available to his office.

"In view of this fact and in view of the further fact that Mr. Lyon has severed his connection with The First National Bank of Belvidere, Belvidere, New Jersey, and no further action on his application appears necessary, the case will be considered closed unless there are reasons known to you making it advisable or necessary to give further consideration to the matter, and you advise the Board accordingly."

Approved.

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

"The Board has given consideration to the application of Mr. R. J. MacBean, Republic National Bank and Trust Company of Dallas, Dallas, Texas, for permission under the provisions of the Clayton Act to serve at the same time as an officer of the Republic National Bank and Trust Company of Dallas, Dallas, Texas, and as a director of First National Bank in Honey Grove, Honey Grove, Texas, and upon the basis of the information before it, feels that the issuance of the permit applied for would be incompatible with the public interest. You are requested to advise the applicant of the Board's position in the matter, unless there are pertinent facts which were not submitted with the application and which you feel should be given consideration. In communicating with the applicant, please inform him that, in accordance with Section V (g) of Regulation L, consideration will be given to any additional facts or arguments not appearing in his application and accompanying forms which he feels should be brought to the Board's attention. In this connection, please inform the Board promptly as to whether Mr. MacBean desires to submit any additional data and,

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"if not, as to what steps he proposes to take in order to comply with the provisions of the Clayton Act.

"If you deem it desirable or necessary you are authorized to inform Mr. MacBean that the Board's action upon his application was based upon the fact that he had attended only one of twenty-four meetings held by the directors of The First National Bank of Honey Grove in the past two years, and there is no evidence before the Board of his having served on any of the bank's committees or having been consulted by the management regarding the bank's affairs.

"In analyzing Mr. MacBean's application it was noted (F. R. B. Form 94, item 12) that the applicant indicated that, in addition to the two banks covered by his application, he is an officer and/or director of various corporations, including the Republic National Company, Dallas, Texas, of which he is vice president. In answer to question 13 on Form 94, the applicant stated that the two banks make loans on stock or bond collateral, but made no reference to the practice of the Republic National Company in this regard. It has been noted, however, from the report of examination of the Republic National Bank and Trust Company of Dallas as at May 10, 1934, included in which there was an appraisal by the examiner of the assets of the Republic National Company, that many of the loans in the company are secured by collateral in the form of stock of the Republic National Bank and Trust Company of Dallas and other corporations. In view of the company's practice of making loans of the character to which reference has been made, the applicant's service with the Republic National Company apparently comes within the prohibitions of Section 8A of the Clayton Act.

"In this connection, reference is made to the Board's letters of November 10, 1933 (X-7677) and December 19, 1933 (X-7721), from which it will be noted that if any nonbanking organization with which Mr. MacBean is connected occasionally makes loans secured by stock or bond collateral, other than to its own subsidiaries, his service at the same time as an officer of such organization and as a director, officer, or employee of a national bank is prohibited by Section 8A, and the Board is without authority to issue a permit in such a case. Accordingly, it is requested that you ascertain definitely whether Mr. MacBean's services with any of the non-banking organizations listed in his application come within the prohibitions of Section 8A. If you find that the Republic National Company makes loans secured by stock or bond collateral, it is suggested that you inform Mr. MacBean of the provisions of Section 8A. As you know, if the Republic National Company actually does make loans secured by stock or bond collateral, it would be necessary for Mr. MacBean to sever his relations with either that company or the national bank which he elects to continue to serve (the permit applied for having been refused because of the applicant's failure to attend directors' meetings of the First National Bank in Honey Grove) in order to comply with the provisions of Section 8A.

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"According to the Board's records, Clayton Act permits previously were granted to other officers and/or directors of the Republic National Company to serve various banks as follows:

<u>Applicant</u>	<u>Banks Served</u>	<u>Date Permit Granted</u>
Austin, Frank E.	Republic National Bank and Trust Company of Dallas, Dallas, Texas	March 9, 1932
	Liberty State Bank, Dallas, Texas	
	Oak Cliff Bank and Trust Company, Dallas, Texas	
Davis, Wirt	Republic National Bank and Trust Company of Dallas, Dallas, Texas	March 15, 1932
	Liberty State Bank, Dallas, Texas	
	Oak Cliff Bank and Trust Company, Dallas, Texas	
Florence, F. F.	Republic National Bank and Trust Company of Dallas, Dallas, Texas	October 23, 1929
	First National Bank of Waco, Waco, Texas	
Hadra, J. M.	Republic National Bank and Trust Company of Dallas, Dallas, Texas	April 16, 1932
	First National Bank in Honey Grove, Honey Grove, Texas	
Waggener, Leslie	Republic National Bank and Trust Company of Dallas, Dallas, Texas	March 9, 1932
	First National Bank of Waco, Waco, Texas	
	Liberty State Bank, Dallas, Texas.	

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"If you find that the Republic National Company makes loans secured by stock or bond collateral, it is suggested that you also inform Messrs. Austin, Davis, Florence, Hadra and Waggener of the provisions of Section 8A.

"It has been noted from the report of examination of the Republic National Bank and Trust Company of Dallas as at May 10, 1934, that Mr. F. F. Florence was serving as a director of the Liberty State Bank, Dallas, Texas. Mr. Florence's existing permit covers only his service with the Republic National Bank and Trust Company of Dallas, Dallas, and the First National Bank of Waco, Waco, both of Texas. In your discussions with Mr. Florence, it is suggested that you bring this matter to his attention.

"Please inform the Board of your disposition of these matters in order that its records may be complete."

Approved.

Letters dated August 25, 1934, approved by three members of the Board, to Mr. Walsh, Federal Reserve Agent at the Federal Reserve Bank of Dallas, stating that the Board has given consideration to the following applications for permits under the Clayton Act, and that, upon the basis of the information before it, feels that the issuance of the permits applied for would be incompatible with the public interest. Each 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. W. L. Barry, for permission to serve at the same time as a director and officer of The First National Bank of Marshall, Marshall, Texas, and as a director and officer of the First State Bank, Harleton, Texas.

Mr. Hobart Key, for permission to serve at the same time as a director of The First National Bank of Marshall, Marshall, Texas, and as a director of the First State Bank, Harleton, Texas.

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Mr. George F. Rozelle, for permission to serve at the same time as a director of the Alvord National Bank, Alvord, Texas, and as a director of the First State Bank, Arlington, Texas.

Mr. R. C. West, for permission to serve at the same time as a director and officer of The Citizens National Bank of Hillsboro, Hillsboro, Texas, and as a director of The First National Bank of Irene, Irene, Texas.

Approved.

Letters to the respective Federal reserve agents stating that the Board has given consideration to the following applications for permits under the Clayton Act, and that, upon the basis of the information before it, feels that the issuance of the permits applied for would be incompatible with the public interest. Each letter 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. Clarke Bassett, for permission to serve at the same time as a director and officer of The Commercial National Bank of Bozeman, Bozeman, Montana, and as a director of the Aberdeen National Bank and Trust Company, Aberdeen, South Dakota.

Mr. H. H. Banks, for permission to serve at the same time as a director and officer of the Columbia Savings Bank, Columbia, Missouri, and as a director of The First National Bank of Hico, Hico, Texas.

Approved.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, inclosing the following Clayton Act permit and requesting that, in view of the statement contained in the report of examination of the Middletown bank as of May 16, 1934, that certain of the directors of

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that bank have expressed themselves as not entirely satisfied with their selection of Mr. Swan as president and that it is quite likely that he will not be reemployed at the end of his six months' probationary period, delivery of the permit be withheld until the agent shall have ascertained whether Mr. Swan continues to be connected with the bank as an officer and director, and if he does continue, the agent is authorized to deliver the permit unless he is aware of reasons why it should not be granted:

Mr. Thomas W. Swan, for permission to serve at the same time as an officer and director of The National Bank of Middletown, Middletown, New York, and as an officer and director of the Montgomery County Trust Company, Amsterdam, New York.

Approved.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. Williams, Federal Reserve Agent at the Federal Reserve Bank of Cleveland, inclosing the following Clayton Act permit for transmission to the applicant, and requesting that, the agent endeavor, in cooperation with the appropriate supervisory authorities, to bring about a correction of the matters criticized by the examiners of the banks involved and that when he submits his recommendation as a result of his annual review of the permit he report fully as to the progress made in bringing about an improvement in the condition of The First National Bank of Irwin:

Mr. Tobias Berkowitz, for permission to serve at the same time as a director of The First National Bank of Irwin, Irwin, Pennsylvania, and as a director of the Irwin Savings & Trust Company, Irwin, Pennsylvania.

Approved.

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Letter dated August 25, 1934, approved by three members of the Board, to Mr. McClure, Federal Reserve Agent at the Federal Reserve Bank of Kansas City, inclosing the following Clayton Act permits, and requesting that the agent withhold delivery of the permits until he is satisfied that the Western Colorado Acceptance Corporation, Delta, Colorado, of which the applicants are directors or officers, does not make loans secured by stock or bond collateral, or that the applicants are complying with the provisions of section 8A of the Clayton Act, in which event the agent is authorized to transmit the permits:

Mr. Chas. E. Parker, for permission to serve at the same time as a director and officer of The Colorado Bank and Trust Company, of Delta, Colorado, Delta, Colorado, and as a director of The First National Bank of Paonia, Paonia, Colorado.

Mr. R. C. Raber, for permission to serve at the same time as a director and officer of The Colorado Bank and Trust Company, of Delta, Colorado, Delta, Colorado, and as a director and officer of The First National Bank of Paonia, Paonia, Colorado.

Mr. Melvin Springer, for permission to serve at the same time as a director and officer of The Colorado Bank and Trust Company, of Delta, Colorado, Delta, Colorado, and as a director and officer of The First National Bank of Paonia, Paonia, Colorado.

Approved.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. McClure, Federal Reserve Agent at the Federal Reserve Bank of Kansas City, inclosing the following Clayton Act permits, and requesting that, the agent ascertain the status of charges against Mr. A. S. Booth, for alleged violations of section 22(g) of the Federal Reserve Act, and, in the event the cases have been duly considered and closed without prosecution, and the agent is satisfied that the provisions of

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section 32 of the Banking Act of 1933 are not applicable to Mr. Booth, he is authorized to release the permits. The letter also requested that the agent endeavor, in cooperation with the appropriate supervisory authorities, to bring about a correction of the conditions criticised by the examiner of the Las Animas bank, and, if delivery of the permits is made, that he inform Messrs. Booth that the Board requests that when the agent submits his recommendation as a result of his annual review of these permits, he report fully as to the progress made in correction of the unsatisfactory condition of the Las Animas bank and whether there have been any further violations of law:

Mr. A. S. Booth, for permission to serve at the same time as a director and officer of The First National Bank of Pueblo, Pueblo, Colorado, and as a director and officer of The Bent County Bank of Las Animas, Las Animas, Colorado.

Mr. A. S. Booth, Jr., for permission to serve at the same time as an employee of The First National Bank of Pueblo, Pueblo, Colorado, and as a director of The Bent County Bank of Las Animas, Las Animas, Colorado.

Approved.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. McClure, Federal Reserve Agent at the Federal Reserve Bank of Kansas City, inclosing the following Clayton Act permit for transmission to the applicant, and 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 and as to the indebtedness of the applicant and his interests at the Marietta bank.

Mr. Simon Westheimer, for permission to serve at the same time as a director and officer of The First National Bank of Marietta, Marietta, Oklahoma, and as a director and officer of The National Bank of Commerce at Hugo,

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Hugo, Oklahoma.

Approved.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. McClure, Federal Reserve Agent at the Federal Reserve Bank of Kansas City, inclosing the following Clayton Act permit for transmission to the applicant, and requesting that, when the agent submits his recommendation as the result of his annual review of the permit, he report fully as to the applicant's attendance at directors' meetings:

Mr. Y. V. Willett, for permission to serve at the same time as a director and officer of The First National Bank of Goltry, Goltry, Oklahoma, as a director and officer of the Exchange Bank of Perry, Perry, Oklahoma, and as a director of The Citizens National Bank of Edmond, Edmond, Oklahoma.

Approved.

Letters dated August 25, 1934, approved by three members of the Board, to applicants for permits under the Clayton Act, advising of approval of their applications as follows:

Mr. E. P. Waggoner, for permission to serve at the same time as a director of The First National Bank of Fort Worth, Fort Worth, Texas, and as a director of The First National Bank of Decatur, Decatur, Texas.

Mr. G. L. Waggoner, for permission to serve at the same time as a director of The First National Bank of Fort Worth, Fort Worth, Texas, and as a director of The First National Bank of Decatur, Decatur, Texas.

Approved, together with two letters dated August 25, 1934, also approved by three members of the Board, to Mr. Walsh, Federal Reserve Agent at the Federal Reserve Bank of Dallas, stating that upon the basis of information before it, the Board feels that the permission requested by Messrs. E. P. and G. L. Waggoner to serve also The First State Bank, Arlington, Texas, would be incompatible with the public interest. The letters requested

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the agent to communicate to the applicants the Board's position in the matter, and to advise the Board promptly as to whether they desire to submit any additional data, and, if not, as to what steps they propose to take in order to comply with the provisions of the Clayton Act.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. Walsh, Federal Reserve Agent at the Federal Reserve Bank of Dallas, inclosing the following Clayton Act permit, and stating that it is requested that the agent ascertain the status of any charges against Mr. Key as a result of a possible violation by him of section 22 (g) of the Federal Reserve Act, and, in the event the case has been duly considered and closed without prosecution, the agent is authorized to release the permit to the applicant; and that it is also requested that, when the agent submits his recommendation as a result of his annual review of the permit he report fully as to whether Mr. Key has further violated any provisions of the law:

Mr. E. Key, for permission to serve at the same time as a director and officer of The First National Bank of Marshall, Marshall, Texas, and as a director of the Citizens State Bank, Marshall, Texas.

Approved.

Letter dated August 25, 1934, approved by three members of the Board, to Mr. Walsh, Federal Reserve Agent at the Federal Reserve Bank of Dallas, inclosing the following Clayton Act permit, and stating that, if the agent finds to his satisfaction that the provisions of section 32 of the Banking Act of 1933 are not applicable to the applicant, he is authorized to transmit the Clayton Act permit to him:

Mr. S. E. Kempner, for permission to serve at the same time as

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a member of the firm of H. Kempner, Galveston, Texas, and as a director of The United States National Bank of Galveston, Galveston, Texas.

Approved.

Letter to Mr. Curtiss, Federal Reserve Agent at the Federal Reserve Bank of Boston, inclosing the following Clayton Act permit, and stating that if he finds to his satisfaction that the provisions of section 32 of the Banking Act of 1933 are not applicable to the applicant, he is authorized to transmit the Clayton Act permit to him. The letter also requested that the agent discuss with Mr. Augustine and the Shawmut Corporation the matter of Mr. Augustine's loan from the corporation, advising them of the Board's views as expressed in the letter, and that when the agent submits his recommendation as a result of his annual review of the permit, he report fully as to the progress made by the applicant in liquidating the obligation.

Mr. W. F. Augustine, for permission to serve at the same time as an officer of The National Shawmut Bank of Boston, Boston, Massachusetts, as an officer of the Hingham Trust Company, Hingham, Massachusetts, and as a director of the Melrose Trust Company, Melrose, Massachusetts.

Approved.

Letter to Mr. Curtiss, Federal Reserve Agent at the Federal Reserve Bank of Boston, inclosing the following Clayton Act permit, and requesting that the agent discuss with Mr. Erickson and the Shawmut Association, the matter of Mr. Erickson's loan from the association, advising them of the Board's views as expressed in the letter, and that when the agent submits his recommendation as a result of his annual review of this permit, that he report fully as to the progress made by the applicant in liquidating the obligation:

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Mr. Joseph A. Erickson, for permission to serve at the same time as a director of the County Bank and Trust Company, Cambridge, Massachusetts, and as an officer of The National Shawmut Bank of Boston, Boston, Massachusetts.

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 permits, he report fully as to the applicants' attendance at directors' meetings:

Mr. R. M. Skinner, for permission to serve at the same time as a director and officer of The Gogebic National Bank of Ironwood, Ironwood, Michigan, and as a director and officer of The First National Bank of Baudette, Baudette, Minnesota.

Mr. George G. Waugh, for permission to serve at the same time as a director of The First National Bank of Herington, Herington, Kansas, and as a director and officer of the Security State Bank, Eskridge, Kansas.

Approved.

Letters to Mr. McClure, Federal Reserve Agent at the Federal Reserve Bank of Kansas City, inclosing the following Clayton Act permits, and stating that if the agent finds to his satisfaction that the provisions of section 32 of the Banking Act of 1933 are not applicable to the applicants, he is authorized to transmit the Clayton Act permits to them. The letters also requested that, if the permits are delivered to the applicants, the agent report fully, when he submits his recommendations as a result of his annual review of the permits, as to the applicants' attendance at directors' meetings:

Mr. C. F. W. Bloedorn, for permission to serve at the same time as a director and officer of the Farmers State Bank, Fort Morgan, Colorado, as a director of the Frenchman Valley

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Bank, Palisade, Nebraska, and as a director of The First National Bank of Hayes Center, Hayes Center, Nebraska.

Mr. Allen McReynolds, for permission to serve at the same time as a director of the Bank of Carthage, Carthage, Missouri, as a director of the First National Bank of Mt. Vernon, Mt. Vernon, Missouri, and as a director of the Webb City Bank, Webb City, Missouri.

Approved.

Letters dated August 25, 1934, approved by three members of the Board, to applicants for permits under the Clayton Act, advising of approval of their applications as follows:

Mr. James L. Evans, for permission to serve at the same time as a director of The Berwick National Bank, Berwick, Pennsylvania, and as a director of the Berwick Savings and Trust Company, Berwick, Pennsylvania.

Mr. Horace B. Griffith, for permission to serve at the same time as a director and officer of The Ridley Park National Bank, Ridley Park, Pennsylvania, and as a director and officer of The Tinicum Bank of Essington, Essington, Pennsylvania.

Mr. J. A. Noblin, for permission to serve at the same time as a director of The First and Merchants National Bank of Radford, East Radford, Virginia, and as a director of The Peoples Bank, Radford, Virginia.

Mr. H. C. Tyler, for permission to serve at the same time as a director of The First and Merchants National Bank of Radford, East Radford, Virginia, and as a director and officer of The Peoples Bank, Radford, Virginia.

Mr. John H. Anderson, for permission to serve at the same time as a director of The First National Bank of Stromsburg, Stromsburg, Nebraska, and as a director of the Citizens State Bank, Polk, Nebraska.

Mr. M. J. Ferguson, for permission to serve at the same time as a director of The First National Bank of Marquette, Marquette, Nebraska, and as a director and officer of the Citizens State Bank, Polk, Nebraska.

Mr. A. Isaacson, for permission to serve at the same time as a director of The First National Bank of Marquette, Marquette, Nebraska, and as a director and officer of the Citizens State Bank, Polk, Nebraska.

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Mr. Witcher Hatcher, for permission to serve at the same time as a director and officer of The Liberty National Bank of Weatherford, Weatherford, Oklahoma, as a director of the Custer County State Bank, Arapaho, Oklahoma, and as a director of the First State Bank, Butler, Oklahoma.

Mr. C. H. McBurney, for permission to serve at the same time as a director and officer of The Liberty National Bank of Weatherford, Weatherford, Oklahoma, and as a director of the Custer County State Bank, Arapaho, Oklahoma.

Mr. E. H. Baumgaertner, for permission to serve at the same time as a director of The First National Bank of Decatur, Decatur, Texas, and as a director of The First National Bank in Rhome, Rhome, Texas.

Mr. Charles Cobb, Jr., for permission to serve at the same time as a director of The First National Bank of Marshall, Marshall, Texas, and as a director of the Citizens State Bank, Marshall, Texas.

Mr. Dave Daube, for permission to serve at the same time as a director of The First National Bank at Ardmore, Ardmore, Oklahoma, and as a director of The National Bank of Commerce at Hugo, Hugo, Oklahoma.

Mr. H. I. Jones, for permission to serve at the same time as a director and officer of the First National Bank in Clarksville, Clarksville, Texas, and as a director of the Citizens State Bank of Greenville, Greenville, Texas.

Mr. L. E. Pillers, for permission to serve at the same time as a director and officer of the Alvord National Bank, Alvord, Texas, and as a director of The First National Bank of Decatur, Decatur, Texas.

Approved.

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

Mr. R. E. Bailey, for permission to serve at the same time as an officer of The National Shawmut Bank of Boston, Boston, Massachusetts, and as an officer of the Needham National Bank, Needham, Massachusetts.

Mr. Norman E. Beattie, for permission to serve at the same time as an officer of The Winchester National Bank, Winchester, Massachusetts, and as an officer of The National Shawmut Bank of Boston, Boston, Massachusetts.

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Mr. P. A. O'Connell, for permission to serve at the same time as a director of The National Shawmut Bank of Boston, Boston, Massachusetts, and as a director of the Boulevard Trust Company of Brookline, Brookline, Massachusetts.

Mr. Edward A. Davis, Jr., for permission to serve at the same time as an employee of The National Shawmut Bank of Boston, Boston, Massachusetts, and as a director of the National White River Bank in Bethel, Bethel, Vermont.

Mr. Redfield Proctor, for permission to serve at the same time as a director and officer of the Proctor Trust Company, Proctor, Vermont, and as a director of The National Shawmut Bank of Boston, Boston, Massachusetts.

Mr. Frank B. Butts, for permission to serve at the same time as an officer of the Webster and Atlas National Bank of Boston, Boston, Massachusetts, and as a director of the Melrose Trust Company, Melrose, Massachusetts.

Mr. W. Chantler Arbuckle, for permission to serve at the same time as a director of the Central National Bank of Yonkers, Yonkers, New York, and as a director of The First National Bank of Ardsley, Ardsley, New York.

Mr. Chester C. Slaybaugh, for permission to serve at the same time as an employee of the Central National Bank of Yonkers, Yonkers, New York, and as a director of The First National Bank of Ardsley, Ardsley, New York.

Mr. Forrest B. Guild, for permission to serve at the same time as a director and officer of the Bank of Lake Placid, Lake Placid, New York, and as a director of the Adirondack National Bank and Trust Company of Saranac Lake, Saranac Lake, New York.

Mr. George W. Hamlin, for permission to serve at the same time as a director and officer of The Canandaigua National Bank and Trust Company, Canandaigua, New York, as a director and officer of the State Bank of Shortsville, Shortsville, New York, and as a director of The Hamlin National Bank of Holcomb, Holcomb, New York.

Mr. William A. Higinbotham, for permission to serve at the same time as a director and officer of the State Bank of Victor, Victor, New York, and as a director and officer of The Canandaigua National Bank and Trust Company, Canandaigua, New York.

Mr. Ward H. Preston, for permission to serve at the same time as a director and officer of the State Bank of Shortsville, Shortsville,

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New York, and as a director of The Canandaigua National Bank and Trust Company, Canandaigua, New York.

Mr. J. M. Leithead, for permission to serve at the same time as a director and officer of The First National Bank of Jerome, Jerome, Pennsylvania, and as a director of the Dormont Savings and Trust Company, Dormont, Pennsylvania.

Mr. Leo F. Snitgen, for permission to serve at the same time as an employee of The St. Johns National Bank, St. Johns, Michigan, and as an officer of the Clinton County Savings Bank, St. Johns, Michigan.

Mr. John L. Clarkson, for permission to serve at the same time as a director of The First National Bank of Benld, Benld, Illinois, and as a director of The First National Bank of Nashville, Nashville, Illinois.

Mr. Joseph W. Rizzie, for permission to serve at the same time as a director of The First National Bank of Staunton, Staunton, Illinois, and as a director and officer of the First National Bank of Benld, Benld, Illinois.

Mr. L. C. Churchill, for permission to serve at the same time as a director and officer of the Frenchman Valley Bank, Palisade, Nebraska, as a director and officer of The First National Bank of Hayes Center, Hayes Center, Nebraska, and as a director and officer of the State Bank of Madrid, Madrid, Nebraska.

Mr. R. C. Miller, for permission to serve at the same time as a director and officer of The First National Bank of Hayes Center, Hayes Center, Nebraska, and as a director of the Frenchman Valley Bank, Palisade, Nebraska.

Mr. J. V. O'Donnell, for permission to serve at the same time as an employee of The Farmers State Bank, Lexington, Nebraska, and as a director of The Overton National Bank, Overton, Nebraska.

Mr. J. H. Roberts, for permission to serve at the same time as a director and officer of The Farmers State Bank, Lexington, Nebraska, and as a director and officer of The Overton National Bank, Overton, Nebraska.

Mr. O. S. Boggess, for permission to serve at the same time as a director of the Republic National Bank and Trust Company of Dallas, Dallas, Texas, and as a director of The State National Bank in West, West, Texas.

Mr. K. H. Bywaters, for permission to serve at the same time as a director of The First National Bank of Paris, Paris,

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Texas, and as a director of The First National Bank of Roxton, Roxton, Texas.

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

Mr. T. E. Nelson, for permission to serve at the same time as a director and officer of the Farmers State Bank, Round Rock, Texas, and as a director of The First National Bank of Georgetown, Georgetown, Texas.

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>			
First National Bank, in New Bremen,			
New Bremen, Ohio	36		36
<u>District No. 8.</u>			
Citizens National Bank of Linton,			
Linton, Indiana	45		45
	<u>Total</u>		<u>81</u>
<u>Applications for SURRENDER of Stock:</u>			
<u>District No. 8.</u>			
The First National Bank of Dawson Springs,			
Dawson Springs, Kentucky	30		30
<u>District No. 11.</u>			
First National Bank in Lubbock,			
Lubbock, Texas	144		144
<u>District No. 12.</u>			
The First National Bank of Hemet,			
Hemet, California	36		36
	<u>Total</u>		<u>210</u>

Approved.

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Thereupon the meeting adjourned.

Chester Morril
Secretary.

Approved:

J. H. [Signature]
Vice Governor.