

A meeting of the Federal Reserve Board was held in Washington on Friday, December 28, 1934, at 4:00 p. m.

PRESENT: Mr. Eccles, Governor
Mr. Thomas, Vice Governor
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Szymczak

Mr. Morrill, Secretary

Reference was made again to the appointments to be made by the Board of Class C directors of Federal reserve banks and directors of branches of Federal reserve banks for terms beginning January 1, 1935.

It was agreed that:

1. Beginning with appointments made in 1935, the Board would not reappoint Class C directors of Federal reserve banks (except chairmen of the boards of directors) who had served two or more consecutive terms of three years each,

2. The Board would recommend to Congress the passage of legislation which would limit the service of Class A and Class B directors of Federal reserve banks to two consecutive terms of three years each,

3. Beginning with appointments made in 1935, directors of branches of Federal reserve banks who had served two or more consecutive terms of three years each or three or more terms of two years each should not be reappointed,

4. The individuals appointed by the Board as directors of branches of Federal reserve banks should not be officers of banks or primarily engaged in banking, (but may be stockholders or directors of banks) and that all branch directors should be men whose business and financial interests are primarily within, and representative of, the branch territory rather than of interests controlled or owned outside the branch territory, and should be men of established reputations and ability to meet their financial obligations,

12/28/34

-2-

5. The Board's rules and regulations regarding directors at branches should be amended in accordance with the policy above referred to.

The Secretary was requested to prepare and submit to the Board for consideration a letter to the chairmen of all Federal reserve banks advising, in the light of the discussion at this meeting, of the adoption of the policies referred to above.

The following actions were then taken with regard to the appointment of Class C directors and directors at branches of Federal reserve banks:

Mr. C. H. Merriman was reappointed a Class C director of the Federal Reserve Bank of Boston for a term of three years beginning January 1, 1935.

Mr. Robert Lassiter was reappointed a Class C director of the Federal Reserve Bank of Richmond for a term of three years beginning January 1, 1935.

Mr. W. H. Kettig was reappointed a Class C director of the Federal Reserve Bank of Atlanta for a term of three years beginning January 1, 1935.

Mr. Paul Dillard was reappointed a Class C director of the Federal Reserve Bank of St. Louis for a term of three years beginning January 1, 1935.

Mr. J. B. Doolin was reappointed a Class C director of the Federal Reserve Bank of Kansas City for a term of three years beginning January 1, 1935.

Mr. A. P. Welch was reappointed a Class C director of the Federal Reserve Bank of San Francisco for a term of three years beginning January 1, 1935.

Mr. Cuthbert W. Pound, Lockport, New York, retiring chief justice of the New York State Court of Appeals, was appointed a director of the Buffalo branch of the Federal Reserve Bank of New York for a term of three years beginning January 1, 1935.

Mr. S. B. Sutphin, Cincinnati, Ohio, was reappointed a director of the Cincinnati branch of the Federal Reserve Bank of Cleveland for a term of three years beginning January 1, 1935.

Mr. H. F. Wherrett, President of the Pittsburgh Plate Glass Co.,

12/28/34

-3-

Pittsburgh, Pennsylvania, was appointed a director of the Pittsburgh branch of the Federal Reserve Bank of Cleveland for a term of three years beginning January 1, 1935.

Mr. J. L. Morehead, Leaksville, North Carolina, was reappointed a director of the Charlotte branch of the Federal Reserve Bank of Richmond for the year 1935.

Mr. W. H. Matthai, Baltimore, Maryland, was reappointed a director of the Baltimore branch of the Federal Reserve Bank of Richmond for the year 1935.

Mr. W. H. Kettig, Birmingham, Alabama, was reappointed a director of the Birmingham branch of the Federal Reserve Bank of Atlanta for the year 1935.

Mr. B. W. Haynes, Jacksonville, Florida, was reappointed a director of the Jacksonville branch of the Federal Reserve Bank of Atlanta for a term of three years beginning January 1, 1935.

Mr. Ernest T. George, President and Chairman of the Seaboard Refining Company, Ltd., New Orleans, Louisiana, was appointed a director of the New Orleans branch of the Federal Reserve Bank of Atlanta for a term of three years beginning January 1, 1935.

The resignation of Mr. J. B. Hill as a director of the Nashville branch of the Federal Reserve Bank of Atlanta, tendered in his letter of December 17, 1934, was accepted and action on the appointment of his successor was deferred.

Mr. A. C. Marshall, Vice President and General Manager of the Detroit Edison Company, Detroit, Michigan, was appointed a director of the Detroit branch of the Federal Reserve Bank of Chicago for a term of three years beginning January 1, 1935.

Mr. Moorhead Wright, Little Rock, Arkansas, was reappointed a director of the Little Rock branch of the Federal Reserve Bank of St. Louis for the year 1935.

Mr. W. W. Crawford, Louisville, Kentucky, was reappointed a director of the Louisville branch of the Federal Reserve Bank of St. Louis for a term of three years beginning January 1, 1935.

Mr. J. B. Hill, President of the Louisville and Nashville Railroad Company, Louisville, Kentucky, was appointed a director of the Louisville branch of the Federal Reserve Bank of St. Louis for the unexpired portion of the term ending December 31, 1935, to succeed Mr. W. R. Cole, deceased.

12/28/34

-4-

Mr. S. E. Ragland, Memphis, Tennessee, was reappointed a director of the Memphis branch of the Federal Reserve Bank of St. Louis for the year 1935.

Action on the appointment of a director of the Helena branch of the Federal Reserve Bank of Minneapolis for the term beginning January 1, 1935, to succeed Mr. W. P. Sullivan, was deferred.

Mr. Murdo MacKenzie, Denver, Colorado, was reappointed a director of the Denver branch of the Federal Reserve Bank of Kansas City for the year 1935.

Action on the proposed reappointment of Mr. Lee Clinton as a director of the Oklahoma City branch of the Federal Reserve Bank of Kansas City for the term beginning January 1, 1935, was deferred.

Mr. Wm. Diesing, Omaha, Nebraska, was reappointed a director of the Omaha branch of the Federal Reserve Bank of Kansas City for the year 1935.

Mr. C. M. Newman, El Paso, Texas, was reappointed a director of the El Paso branch of the Federal Reserve Bank of Dallas for the year 1935.

Mr. R. M. Farrar, Houston, Texas, was reappointed a director of the Houston branch of the Federal Reserve Bank of Dallas for the year 1935.

Mr. F. M. Lewis, Sr., San Antonio, Texas, was reappointed a director of the San Antonio branch of the Federal Reserve Bank of Dallas for a term of three years beginning January 1, 1935.

Mr. J. B. Alexander, Los Angeles, California, was reappointed a director of the Los Angeles branch of the Federal Reserve Bank of San Francisco for the year 1935.

Mr. E. C. Pease, The Dalles, Oregon, was reappointed a director of the Portland branch of the Federal Reserve Bank of San Francisco for the year 1935.

Action on the proposed reappointment of Mr. M. W. Smith as a director of the Salt Lake City branch of the Federal Reserve Bank of San Francisco for the term beginning January 1, 1935, was deferred.

Mr. H. A. Rhodes, Tacoma, Washington, was reappointed a director of the Seattle branch of the Federal Reserve Bank of San Francisco for the year 1935.

12/28/34

-5-

Mr. Peter McGregor, Hooper, Washington, was reappointed a director of the Spokane branch of the Federal Reserve Bank of San Francisco for the year 1935.

The Board then acted upon the following matters:

Letter dated December 27, 1934, from Mr. Sproul, Secretary of the Federal Reserve Bank of New York, and telegram dated December 28, 1934, from Mr. Stevens, Chairman of the Federal Reserve Bank of Chicago, both advising that, at meetings on the dates stated, no changes were made in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Letter dated December 24, 1934, from Miss Elizabeth Griffin tendering her resignation as a temporary stenographer in the Division of Examinations, effective at the close of business on December 24, 1934.

Accepted.

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 'Vermont-Peoples National Bank of Brattleboro', Brattleboro, Vermont, from \$400,000 to \$200,000, pursuant to a plan which provides that the released capital shall be used to eliminate a corresponding amount of the least desirable assets in the bank, all as set forth in your memorandum of December 17, 1934."

Approved.

Letter dated December 27, 1934, approved by five members of the Board, to Mr. O'Connor, Comptroller of the Currency, reading as

12/28/34

-6-

follows:

"Receipt is acknowledged of your letter of December 19, 1934, in regard to the capital reduction of 'The Abington National Bank of Clark's Summit', Clark's Summit, Pennsylvania, which was approved by the Board on November 16, 1934, and which provided in part that the bank's capital shall be increased by the sale of \$50,000 Class 'A' preferred stock to the Reconstruction Finance Corporation, and \$26,000 of Class 'B' preferred stock and \$40,000 of new common stock to local interests, and that the resultant amount of common capital stock, \$90,000, shall be reduced to \$50,000 by the proposed reduction of \$40,000.

"You now advise that the Reconstruction Finance Corporation has changed the proposed amendments to the bank's articles of association so as to show a reduction of the outstanding common stock from 500 shares at \$100 per share to 500 shares at \$20 per share, and provide that the directors' guarantee of \$66,000 will be converted into 2,000 shares of new common stock at \$20 per share, (plus \$26,000 of 'B' preferred stock), such action to follow the reduction of the par value of the present common stock.

"In accordance with your recommendation, the Board amends its previous approval to permit the reduction in common stock prior to the increase in common stock, with the understanding that the sale of preferred stock to the Reconstruction Finance Corporation will be consummated prior to the reduction in common stock, in order that the capital of the bank shall at no time fall below the minimum legal requirements."

Approved.

Letter to Mr. Curtiss, Federal Reserve Agent at the Federal Reserve Bank of Boston, authorizing him, subject to the conditions prescribed in the letter, to issue a limited voting permit to "Old Colony Trust Associates", Boston, Massachusetts, entitling such organization to vote, for the purposes set forth in the letter, the stock which it owns or controls in the following banks:

"Menotomy Trust Company", Arlington, Massachusetts,
Norfolk County Trust Company, Brookline, Massachusetts,
"Harvard Trust Company", Cambridge, Massachusetts,
"The Lechmere National Bank of Cambridge", Cambridge, Massachusetts.

12/28/34

-7-

"The Concord National Bank of Concord", Concord, Massachusetts,
"Everett Bank and Trust Company", Everett, Massachusetts,
"The Appleton National Bank of Lowell", Lowell, Massachusetts,
"The Second National Bank of Malden", Malden, Massachusetts,
"The First National Bank of Mansfield", Mansfield, Massachusetts,
"Newton Trust Company", Newton, Massachusetts,
"Springfield National Bank", Springfield, Massachusetts,
"The Union Market National Bank of Watertown", Watertown, Massachusetts,
"Winchester Trust Company", Winchester, Massachusetts.

The letter also authorized the agent to extend the time limit on the conditions of membership of the "Needham Trust Company", Needham, the "Menotomy Trust Company", Arlington, the "Canton Trust Company", Canton, and the "Stoughton Trust Company", Stoughton, all of Massachusetts, whereby Old Colony Trust Associates was to obtain a voting permit within six months, for an additional six months.

Approved.

Telegram to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, authorizing him to issue a limited voting permit to the "Franklin Capital Corporation", Newark, New Jersey, entitling such organization to vote the stock which it owns or controls in the "Franklin Washington Trust Company", Newark, New Jersey, for the purposes set forth in the telegram.

Approved.

Telegram to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, authorizing him, subject to the conditions prescribed in the telegram, to issue a limited voting permit to the "Hudson-Harlem Valley Corporation", Mount Kisco, New York, entitling such organization to vote the stock which it owns or controls in the

12/28/34

-8-

"Trust Company of Northern Westchester", Mount Kisco, New York, for the purposes set forth in the telegram.

Approved, together with a letter to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, reading as follows:

"Reference is made to Mr. Dillistin's letter of December 11, 1934, recommending approval of a reduction in the common capital stock of the 'Trust Company of Northern Westchester', Mount Kisco, New York, from \$100,000 to \$50,000, pursuant to a plan which provides for the sale at par of \$50,000 of new common stock to its present shareholders and/or others, and for the use of the released capital in eliminating all depreciation in securities, establishing a reserve for estimated losses in other real estate and increasing the surplus account with any remaining balance. It is understood that the bank expects to reduce the par value of its present common stock from \$100 to \$25, distributing to the present shareholders two shares of such stock for each share of the stock now held, and that the present shareholders will be given rights to purchase at par, 2,000 shares (\$25 par value) of new common stock. It is also understood that the bank expects to release the special time deposit of \$27,000 securing a guaranty agreement executed by its holding company affiliate, the Hudson-Harlem Valley Corporation, held for the protection of the bank's depositors.

"The bank's condition of membership numbered 3 provides that it shall not reduce its capital except with the permission of the Federal Reserve Board. In view of the corrections to be made in the bank's condition, and in accordance with Mr. Dillistin's recommendation, the Board approves the application of the Trust Company of Northern Westchester, Mount Kisco, New York, for permission to reduce its common stock from \$100,000 to \$50,000, subject to the following conditions:

- "1. That prior to or concurrently with such reduction of common capital stock, the bank's capital shall be increased by the sale at par of \$50,000 par value of new common stock to the present shareholders and/or others;
- "2. That none of the funds released by the reduction in common capital shall be returned to shareholders but that such released capital shall be used to eliminate securities depreciation, to establish a reserve for losses in other real estate and to increase the bank's surplus account, as set forth in Mr. Dillistin's letter of December 11, 1934;
- "3. That the transaction has the approval of the New York State Banking Department;

12/28/34

-9-

"4. That your counsel has considered the case and is satisfied as to its legal aspects.

"In connection with the ownership of the majority of the bank's capital stock by the Hudson-Harlem Valley Corporation, it has been noted that the holding company affiliate has applied for permission to vote the stock owned or controlled of the applicant for the purpose of rehabilitating its capital structure. This application has been considered and the Board has authorized the issuance of a limited voting permit for the purposes and subject to the conditions contained in a telegram forwarded to you today.

"Upon completion of the proposed plan, please advise the Board as to the amount of eliminations made and reserves provided by the bank and the amount credited to surplus; also forward copies of any amendments to the bank's charter which may be adopted in connection with the reduction in capital."

Telegram to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, authorizing him, subject to the conditions prescribed in the telegram, to issue a limited voting permit to "The Plainfield Trust Company", Plainfield, New Jersey, entitling such organization to vote the stock which it owns or controls in "The Plainfield National Bank", Plainfield, New Jersey, for the purposes set forth in the telegram.

Approved.

Telegram to Mr. Peyton, Federal Reserve Agent at the Federal Reserve Bank of Minneapolis, authorizing him, subject to the conditions prescribed in the telegram, to issue a limited voting permit to "The Midway National Corporation", St. Paul, Minnesota, entitling such organization to vote the stock which it owns or controls in "The Midway National Bank of St. Paul", St. Paul, Minnesota, for the purposes set forth in the telegram.

Approved.

Telegram to Mr. Sargent, Assistant Federal Reserve Agent

12/28/34

-10-

at the Federal Reserve Bank of San Francisco, reading as follows:

"Reference letter December 15 and telegram December 17 regarding 'American Investment Corporation'. Your letter to Mr. Hemingway of December 13 and files indicate there is net appreciation in securities of the subsidiary banks, which would make unnecessary any chargeoff on account of depreciation in such securities. Board feels that provision should be made for elimination of the losses in order that reports and published statements of the banks may properly reflect the condition thereof. The requirements made in this case are in conformity with those made in other cases involving similar circumstances and there do not appear to be sufficient grounds upon which an exception should be made."

Approved.

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

"Reference telegram December 13 regarding 'Merced Securities Corporation' Board feels that provision should be made by subsidiary bank for elimination of all losses and depreciation in securities not of the four highest grades in order that reports and published statements of the bank properly reflect condition thereof. The requirements made are in conformity with those made in other cases involving similar circumstances and there do not appear to be sufficient grounds upon which an exception should be made."

Approved.

Letter to the governors of all Federal reserve banks, reading as follows:

"The Board has reviewed the portion of its circular letter of October 20, 1932 (X-7276), which pertains to minor expenditures by Federal reserve banks for memorials, testimonials, floral offerings, and similar purposes, and, since the responsibility for making expenditures of this character rests in the first instance with the management of each reserve bank, the Board believes that the board of directors or executive committee of each reserve bank should be free to exercise its discretion in authorizing such expenditures, after considering the advisability thereof in each case, without taking the matter up with the Board.

"Therefore, the Board hereafter will not require the

12/28/34

-11-

"submission of such cases to it for approval, but will rely upon its examiners to note such expenditures during the course of their regular examinations and to include the facts in their reports. If in the review of any such report it appears that a particular expenditure is questionable, the Board will then take the matter up with the particular bank concerned."

Approved.

Telegram to the governors of all Federal reserve banks, reading as follows:

"Referring Board's letter X-7941 of June 27, 1934, no part of assessment for purpose of acquiring a lot and erection of a building thereon for Board's use will be called for payment during 1934, and no part of such assessment should be reported as a charge against 1934 earnings. Daily balance sheet, Form 34, for use during 1935 calls for reporting assessments paid in for above purpose in miscellaneous assets block against caption 'F. R. Board building account'."

Approved.

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

"Referring your December 27 wire, letter went forward Wednesday authorizing your bank to set aside 2 percent reserve on bank buildings, and 10 percent reserve on fixed machinery and equipment, and to credit to reserves for 'Other losses' an amount sufficient to cover your bank's proportion of Hungarian credit not covered by existing reserve and not repayable out of gold collateral, and an amount equal to profit on sale of Government securities from System account during 1934, not to exceed, however, amount of net earnings remaining after setting aside other reserves authorized therein and after payment of dividends. Board now authorizes you to charge off \$100,000 on land on which Los Angeles branch building is located with understanding that reserves for 'Other losses', set aside at end of year after making provision for all other reserves and payment of dividend do not exceed remaining net earnings. Request to increase rate of depreciation on bank building from 2 to 5 percent not approved by Board. Further consideration will be given to this next year. Your bank is also authorized to restore to profit and loss reserve of \$1,029.07 set up December 30, 1933 to cover possible losses on

12/28/34

-12-

"past due acceptances."

Approved.

Letter dated December 27, 1934, approved by five members of the Board, to Mr. George L. Harrison, Chairman of the Federal Open Market Committee, New York, New York, reading as follows:

"The Federal Reserve Board has given consideration to the action taken at the meeting of the Federal Open Market Committee in Washington on December 17, 1934, advice of which was contained in Mr. Burgess' letter of December 18, addressed to Governor Eccles, and approves the recommendations that the Executive Committee of the Federal Open Market Committee be authorized to replace the Treasury Notes maturing on March 15, 1935 and the maturities of called 4th 4 $\frac{1}{2}$ % Liberty Bonds held in the system account either in the market or with any securities which the Treasury may offer in exchange, and to make exchanges between maturities in the system account up to a total of \$100,000,000.

"Advice of the Board's action is being sent today to the Chairmen of the Federal Reserve banks."

Approved.

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

"Receipt is acknowledged of your letter of October 29, 1934, in which you state that you anticipate that you will receive requests from examiners of the Federal Deposit Insurance Corporation for permission to peruse reports of examination of some of the State member banks in your district. You request to be advised whether you may lawfully allow duly accredited representatives of the Federal Deposit Insurance Corporation to see such examination reports and, if so, you ask that the Board authorize you to make the reports available to such representatives.

"As you know, section 9 of the Federal Reserve Act provides that copies of the reports of examination of State member banks 'may, in the discretion of the Federal Reserve Board, be furnished to the State authorities having supervision of such banks, to officers, directors, or receivers of such banks, and to any other proper persons'. Section 12B(k) of that Act provides that the Federal Deposit Insurance Corporation 'with the consent of any Federal reserve bank or of any board * * *

12/28/34

-13-

"may avail itself of the use of information, services, and facilities thereof in carrying out the provisions of this section'.

"Although the Federal Reserve Board feels that information concerning the condition of State member banks is primarily intended for the confidential use of the Board and the Federal reserve banks and that extreme caution should be exercised in making any other use of this information, it is the view of the Board that the provisions of law to which reference has been made justify it in permitting reports of examination of State member banks to be made available to the Federal Deposit Insurance Corporation and its duly authorized representatives for use in the discharge of their official duties. Consequently, the Board consents to your furnishing reports of examination of State member banks to examiners of the Federal Deposit Insurance Corporation for their confidential and official use whenever you consider it desirable to do so. In any such case, it is assumed that attention will be called to the fact that the report of examination is solely for the confidential use of the examiner of the Federal Deposit Insurance Corporation and that such other steps will be taken as may be necessary to protect the confidential nature of the information contained therein."

Approved.

Letter dated December 27, 1934, approved by five members of the Board, to Mr. Aaron Goldstein, Department of Economics, Harvard University, Cambridge, Massachusetts, reading as follows:

"The Federal Reserve Board is glad to grant in substance your request of December 17 that you be permitted to cite the Board as authority for the statements contemplated in sections (1) and (2) of your letter. It is requested, however, that both statements be somewhat modified. As regards section (1), the records of the Czechoslovak loan show that it was repaid by the end of October (rather than November) 1925. As regards section (2), the Board is prepared to authorize only the statement that 'the agreement never became effective'. All reference to conditions that were not fulfilled should be omitted."

Approved.

Letter to Mr. Newton, Federal Reserve Agent at the Federal Reserve Bank of Atlanta, inclosing the following Clayton Act permit

12/28/34

-14-

for transmittal to the applicant; suggesting that the agent advise the applicant that the permit has been granted with the expectation that he will improve his attendance at directors' meetings; 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:

Mr. J. Carroll Payne, for permission to serve at the same time as a director of The First National Bank of Atlanta, Atlanta, Georgia, and as a director of the Morris Plan Bank of Georgia, Atlanta, Georgia.

Approved.

Letter to Mr. McAdams, Assistant Federal Reserve Agent at the Federal Reserve Bank of Kansas City, reading as follows:

"The Board has reconsidered the application of Mr. W. D. Womer, Manhattan, Kansas, for permission under the provisions of the Clayton Act to serve at the same time as director and officer of 'The First National Bank of Manhattan', 'The First National Bank of Phillipsburg' and 'The First National Bank of Kensington', all of Kansas; and upon the basis of the information before it, including that submitted with Mr. McClure's letter of November 14, 1934, feels that the issuance of an unlimited permit to the applicant would be incompatible with the public interest as set forth in its letter of September 7, 1934, to Mr. McClure.

"However, it appears from the latest available reports of examination of the banks involved that their condition is being improved, that considerable improvement has been effected in the criticized obligations of the applicant, his family and interests, and that criticizable relationships between the banks are being eliminated. It has been noted from Mr. McClure's letter of November 14, 1934, also, that Mr. Womer now realizes that the institutions must be operated along more conservative lines than has heretofore been done, that Mr. McClure and the District Chief National Bank Examiner were of the opinion that the applicant's continued services should be of benefit to the institutions and that Mr. McClure felt that the forced withdrawal of the applicant from any of the banks might be definitely harmful. In all the circumstances the Board has

12/28/34

-15-

"granted a permit, effective however, only for the period ending December 31, 1935. There are inclosed the original and copies of the permit for transmittal by you to the applicant and the banks involved and a copy for your files. When the permit is sent to the applicant you are requested to call his attention to the limited status thereof and advise him that if he desires to serve the banks after December 31, 1935, the Board will give consideration to a new application filed in accordance with the Board's Regulation L.

"In connection with the permit granted to Mr. Womer, your attention is directed to Mr. McClure's letter of September 5, 1934, in which it was stated that Mr. Womer's apparent violation of Section 22(g) of the Federal Reserve Act had been reported to the United States District Attorney and that your office had been advised that no further steps in connection with the violation were expected to be taken. Please bear this matter in mind and in the event other apparent violations of Section 22(g) on the part of the applicant or executive officers of these banks are noted during the continuance of this permit, advise the Board fully with respect thereto, submitting at the same time your recommendation as to whether or not consideration should be given to the matter of the revocation of the permit."

Approved.

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

Mr. Harry E. Nichols, for permission to serve at the same time as a director of The Merchants National Bank of Dunkirk, Dunkirk, New York, and as a director of the Citizens Trust Company, Fredonia, New York.

Mr. Henry C. Biddle, for permission to serve at the same time as a director of the Ambler National Bank, Ambler, Pennsylvania, and as a director of the Norristown-Penn Trust Company, Norristown, Pennsylvania.

Mr. Henry B. Cox, Jr., for permission to serve at the same time as a director and officer of the Ambler National Bank, Ambler, Pennsylvania, and as an officer of The Real Estate-Land Title and Trust Company, Philadelphia, Pennsylvania.

Mr. Joe S. Burgin, for permission to serve at the same time as a director of The First National Bank of Columbus, Columbus, Georgia, and as a director and officer of the Buena Vista Loan & Savings Bank, Buena Vista, Georgia.

12/28/34

-16-

Mr. W. H. Kistler, for permission to serve at the same time as a director of The Denver National Bank, Denver, Colorado, and as a director of the First Industrial Bank, Denver, Colorado.

Mr. W. R. McFarland, for permission to serve at the same time as a director of The Denver National Bank, Denver, Colorado, and as a director and officer of the First Industrial Bank, Denver, Colorado.

Approved.

There was then presented the following application for a change in stock of a Federal reserve bank:

<u>Application for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 12.</u>		
The First National Bank in Coachella,		
Coachella, California	36	36

Approved.

Thereupon the meeting adjourned.

Chester Morice
Secretary.

Approved:

[Signature]
Governor.