

A meeting of the Federal Reserve Board was held in Washington on Monday, December 31, 1934, at 11:30 a. m.

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

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

The Board acted upon the following matters:

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

"Refer membership application 'The First National Bank of Ketchikan', Alaska. Board has reviewed the current reports of examination made by Comptroller's office of applicant and the three other national banks in the Territory and feels that on the basis of such reports and other data previously submitted by you definite action can now be taken on bank's application. Accordingly, the Board requests that you and the Reserve Bank Committee submit as soon as possible definite recommendations not only in connection with the membership application of applicant but also regarding the extension of membership as a matter of policy to banks in the Territory. In the event your recommendation is favorable, you should, of course, also submit suggested conditions of membership in connection with application of The First National Bank of Ketchikan."

Approved.

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

"Reference is made to Mr. Downis' letter dated December 21, 1934, transmitting with a favorable recommendation the request of the 'City Bank Farmers Trust Company', New York, New York, for an extension of time to April 30, 1935, within which to effect compliance with the following provisions of condition of membership numbered 21:

12/31/34

-2-

" . . . and prior to January 1, 1935, such holding company affiliate shall have obtained from the Federal Reserve Board, pursuant to the provisions of Section 5144 of the Revised Statutes, as amended, a voting permit entitling it to vote for all purposes the shares of stock owned or controlled by it, of such bank."

"It is understood that the completion of the application of 'The National City Bank of New York', the holding company affiliate, may be delayed for a considerable time pending receipt of information from several of the affiliates of the holding company which are located in foreign countries. In view of the circumstances, the Board extends until July 1, 1935, the time within which the provisions of condition of membership numbered 21 referred to above may be complied with. Please advise the bank accordingly."

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 Colonial-American National Bank of Roanoke', Roanoke, Virginia, from \$1,000,000 to \$500,000, pursuant to a plan which provides that the bank's capital shall be increased by the sale of \$200,000 of preferred stock to local interests and that the released capital shall be used to eliminate a corresponding amount of unsatisfactory assets, all as set forth in your letter of December 20, 1934."

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 "Bank of Nutley", Nutley, New Jersey, entitling such organization to vote the stock which it owns or controls in "The Franklin National Bank of Nutley", Nutley, New Jersey, for the purposes set forth in the telegram.

Approved.

12/31/34

-3-

Letter to Mr. Fletcher, Acting Federal Reserve Agent at the Federal Reserve Bank of Cleveland, authorizing him, subject to the conditions prescribed in the letter, to issue a limited voting permit to the "BancOhio Corporation", Columbus, Ohio, entitling such organization to vote, for the purposes set forth in the letter, the stock which it owns or controls in the following banks:

- "The Ohio National Bank of Columbus", Columbus, Ohio,
- "The Union National Bank of Cadiz", Cadiz, Ohio,
- "The First National Bank of Chillicothe", Chillicothe, Ohio,
- "The Commercial National Bank of Coshocton", Coshocton, Ohio,
- "The Delaware County National Bank of Delaware", Delaware, Ohio,
- "The National Bank of Portsmouth", Portsmouth, Ohio,
- "The First National Bank and Trust Company of Springfield",
Springfield, Ohio,
- "The First National Bank of Washington Court House", Washington
Court House, Ohio,
- "The Citizens National Bank in Zanesville", Zanesville, Ohio,
- "The Fifth Avenue Savings Bank Company", Columbus, Ohio,
- "The Marysville-Commercial Bank", Marysville, Ohio,
- "The Licking County Bank", Newark, Ohio,
- "The Perry County Bank", New Lexington, Ohio.

The letter also stated that the Board has received the acting agent's letter dated December 18, 1934, with which was inclosed a copy of a letter to him dated December 17, 1934, from the BancOhio Corporation, regarding the termination of the affiliation between the BancOhio Securities Company and the subsidiary member banks of the BancOhio Corporation in order to comply with section 20 of the Banking Act of 1933 and the Board's ruling contained in its letter to the acting agent dated December 14, 1934; that it has been noted that the BancOhio Corporation has advised the acting agent of its intention to terminate such affiliation as soon as possible, and

12/31/34

-4-

that it contemplates that such termination can be accomplished in approximately sixty days; that, in view of this statement, the Board has not required any agreement regarding such termination, in connection with the issuance of a limited voting permit, and that, however, it will be appreciated if the acting agent will keep the Board advised as to the steps taken by the BancOhio Corporation to comply with the provisions of section 20 and the Board's ruling.

Approved.

Telegram to Mr. Fletcher, Acting Federal Reserve Agent at the Federal Reserve Bank of Cleveland, authorizing him to issue a limited voting permit to the "Butler Savings and Trust Company", Butler, Pennsylvania, entitling such organization to vote the stock which it owns or controls in "The South Side National Bank of Butler", Butler, Pennsylvania, for the purposes set forth in the telegram. The telegram also requested that the acting agent inform the Board of the date when the national bank is merged with the applicant and placed in liquidation.

Approved.

Letter to Mr. Fletcher, Acting Federal Reserve Agent at the Federal Reserve Bank of Cleveland, authorizing him, subject to the conditions prescribed in the letter, to issue a limited voting permit to the "Mellbank Corporation", Pittsburgh, Pennsylvania, entitling such organization to vote, for the purposes set forth in the letter, the stock which it owns or controls in the following banks:

12/31/34

-5-

- "The Braddock National Bank", Braddock, Pennsylvania,
- "The National Bank and Trust Company of Connellsville", Connellsville, Pennsylvania,
- "The National Bank of Charleroi and Trust Company", Charleroi, Pennsylvania,
- "The Union National Bank of Donora", Donora, Pennsylvania,
- "The Forbes National Bank of Pittsburgh", Pittsburgh, Pennsylvania,
- "First National Bank in Latrobe", Latrobe, Pennsylvania,
- "The First National Bank in Ligonier", Ligonier, Pennsylvania,
- "The Logan National Bank and Trust Company of New Kensington", New Kensington, Pennsylvania,
- "First National Bank in Sewickley", Sewickley, Pennsylvania,
- "The Second National Bank of Uniontown", Uniontown, Pennsylvania,
- "The Citizens National Bank of Washington", Washington, Pennsylvania,
- "The Union National Bank of Waynesburg", Waynesburg, Pennsylvania.

The letter also stated that the Board has authorized an exception to the usual requirements as to eliminations and charge offs in the case of The National Bank of Charleroi and Trust Company in view of the fact that the files of the Comptroller of the Currency indicate that the bank has already charged off \$316,700 and has collected \$3,600 of the \$419,200 in assets classified as losses by the national bank examiner in his report of examination as of June 11, 1934, and apparently takes exception to the classification of the remaining assets classified as losses by the examiner, and that it also appears that the bank may have to make special arrangements to meet the requirements as to charge offs or eliminations.

Approved.

Telegram to Mr. Newton, Federal Reserve Agent at the Federal Reserve Bank of Atlanta, authorizing him, subject to the

12/31/34

-6-

conditions prescribed in the telegram, to issue a limited voting permit to the "Commerce Union Bank", Nashville, Tennessee, entitling such organization to vote the stock which it owns or controls in the "Broadway National Bank of Nashville", Nashville, Tennessee, for the purposes set forth in the telegram.

Approved.

Two telegrams to Mr. Walsh, Federal Reserve Agent at the Federal Reserve Bank of Dallas, authorizing him, subject to the conditions prescribed in the respective telegrams, to issue limited voting permits to "Armour and Company of Delaware" and "Armour and Company of Illinois", both of Union Stockyards, Chicago, Illinois, entitling such organizations to vote the stock which they own or control in the "Stockyards National Bank of Fort Worth", Fort Worth, Texas, for the purposes set forth in the telegrams.

The telegram authorizing the issuance of a limited permit to Armour and Company of Illinois stated that the requirement that the company file an application for a voting permit is based upon information that Armour and Company of Illinois owns or controls the majority of the stock of Armour and Company of Delaware, and that the agent is authorized to inform the applicant that no exhibits other than those mentioned in the telegram will be required as a part of its application for a voting permit and that the agreements executed as a part of such application will cease to be binding upon the applicant as soon as it ceases to be a holding company

12/31/34

-7-

affiliate of a member bank.

Approved.

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

"It will be satisfactory if statement of financial results of operation referred to on page 36 of Instructions Governing the Preparation of Earnings and Expense Reports and Profit and Loss Statements is mailed or wired in time to reach Board not later than Thursday morning January 3. If any statement on financial results of operation released by your bank shows any detail under additions to or deductions from current net earnings, it is requested that a copy of such statement be furnished the Board before its release for publication in order to insure uniformity in reports published by Board and by banks."

Approved.


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

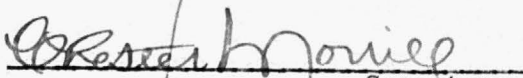
"Board is in receipt of a letter from one Federal Reserve bank inclosing a copy of an opinion rendered by General Counsel of the R.F.C., dated July 16, 1934, with regard to payment of rent to Federal Reserve banks for space occupied in Federal Reserve bank buildings by Corporation. Voucher submitted by reserve bank was approved, after deducting all charges for space except a charge for any space bank or its branches rented for custodian use. Please advise whether your bank has charged R.F.C. for rent and, if so, whether such charge has been passed by Corporation."

Approved.

Thereupon the meeting adjourned.

Approved:


Governor.


Secretary.