

A meeting of the Federal Reserve Board was held in Washington on Monday, February 11, 1935, at 11:30 a. m.

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

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

The minutes of the meetings of the Federal Reserve Board held on January 14, 15, 16, 17, 18, 21, 23, 25, 29 (two meetings), 30, 31 and February 1 and 2, 1935, were approved.

The minutes of the meeting of the Executive Committee of the Federal Reserve Board held on January 19, 1935, were approved, and the actions recorded therein were ratified unanimously.

The Board then acted upon the following matters:

Letter dated February 7, 1935, from Mr. Sproul, Secretary of the Federal Reserve Bank of New York, and telegrams dated February 7 from Mr. McAdams, Secretary of the Federal Reserve Bank of Kansas City, and Mr. Sargent, Secretary of the Federal Reserve Bank of San Francisco, February 8 from Mr. Strater, Secretary of the Federal Reserve Bank of Cleveland, and from Mr. Clark, Secretary of the Federal Reserve Bank of Atlanta, and February 11 from Mr. Walsh, Chairman of the Federal Reserve Bank of Dallas, 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.

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Memorandum dated February 8, 1935, from Mr. Smead, Chief of the Division of Bank Operations, recommending approval of the temporary appointment of Mrs. Ruth D. Jacquot as a comptometer operator in the division for a period not exceeding three months, with salary at the rate of \$1,440 per annum, effective as of the date upon which she enters upon the performance of her duties.

Approved.

Memorandum dated February 6, 1935, from Mr. Miller, stating that Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, had asked him to ascertain if the Board had any objection to his taking a vacation at this time in order to be with Mrs. Case who is not well; and that he had told Mr. Case that he saw no objection to his taking such leave of absence and thought the Board would raise no objection. The leave of absence was approved by six members of the Board on February 8, 1935.

Approved.

Telegram dated February 8, 1935, approved by five members of the Board, to Mr. Sargent, Assistant Federal Reserve Agent at the Federal Reserve Bank of San Francisco, reading as follows:

"Your letter February first. Board approved temporary designation of E. F. Sims and H. B. Heim as examiners on November 1, 1934, and there is no objection to continuation of their services as such for purposes outlined in your letter. Please advise when their designations are terminated."

Approved.

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Memorandum dated February 8, 1935, from Mr. Morrill, stating that advice has been received of the selection by the boards of directors of the respective Federal reserve banks of the following members of the Federal Open Market Committee for the year 1935:

<u>District</u>	<u>Name and Title</u>
No. 1	R. A. Young, Governor *Deputy Governor
No. 2	G. L. Harrison, Governor
No. 3	G. W. Norris, Governor *Deputy Governor
No. 4	M. J. Fleming, Governor
No. 5	G. J. Seay, Governor *Senior Deputy Governor
No. 6	Oscar Newton, Governor
No. 7	G. J. Schaller, Governor *H. P. Preston, Deputy Governor
No. 8	W. McC. Martin, Governor
No. 9	W. B. Geery, Governor
No. 10	G. H. Hamilton, Governor
No. 11	B. A. McKinney, Governor
No. 12	J. U. Calkins, Governor *Senior Deputy Governor

\*Alternate.

Noted.

Letter dated February 8, 1935, approved by five members of the Board, to Mr. Curtiss, Chairman of the Federal Reserve Bank of Boston, reading as follows:

"Reference is made again to your letter of January 9, 1935, with regard to the members of the Industrial Advisory Committee for your district. The Federal Reserve Board approves the reappointment by the board of directors of the Federal Reserve Bank of Boston of Messrs. Robert Amory, Winthrop L. Carter, Albert M. Creighton, Carl P. Dennett, and Edward M. Graham as members of the Industrial Advisory Committee of the First Federal Reserve District, each for a term of one year from March 1, 1935.

"It is assumed that each of these gentlemen is still

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"actively engaged in some industrial pursuit within the First Federal Reserve District."

Approved.

Letter dated February 8, 1935, approved by five members of the Board, to Mr. Stevens, Chairman of the Federal Reserve Bank of Chicago, reading as follows:

"The Federal Reserve Board has received your letter of January 25, 1935, and approves the reappointment by the board of directors of the Federal Reserve Bank of Chicago of Messrs. Max Epstein, Howard Greene, R. R. Monroe, William R. Odell, Jr., and George W. Young as members of the Industrial Advisory Committee for the Seventh Federal Reserve District, each for a term of one year from March 1, 1935."

Approved.

Telegram dated February 8, 1935, approved by five members of the Board, to the Chairmen of all Federal reserve banks, except Boston and Chicago, reading as follows:

"Last paragraph of section IV(a) of Regulation S provides that on or before February 15, 1935, board of directors of each Federal reserve bank shall submit to Federal Reserve Board for its consideration names of persons selected to serve as members Industrial Advisory Committee for ensuing year. Names of persons selected as members your committee not yet received and matter is brought to your attention to assure compliance with provisions of regulation."

Approved.

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

"Refer Evans' letter February 7, 1935. Board extends to March 13, 1935, the time within which "The Brewster Banking Company", Brewster, Ohio, may accomplish its admission to membership. Please advise bank accordingly."

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 Roslyn National Bank & Trust Company', Roslyn, New York, from \$100,000 to \$50,000, pursuant to a plan which provides that the released capital shall be used in eliminating substandard assets, such eliminations to include all estimated losses and depreciation in lower grade securities, all as set forth in your memorandum of January 26, 1935."

Approved.

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

"Reference is made to your letter of February 1, 1935, transmitting the request of 'The Merrill Trust Company', Bangor, Maine, for permission to carry in its assets at \$38,500 the buildings occupied by its branches at Eastport and Searsport, Maine.

"It is understood that the buildings were formerly carried as collateral to notes executed by the directors of two banks whose deposits had been assumed by the old Merrill Trust Company and that recently the new Merrill Trust Company took the two buildings into its assets at \$38,500 and credited the notes \$32,500 and \$6,000 respectively.

"In view of the nature of the transactions and your recommendation, the Board interposes no objection to the transactions and it is requested that you advise the bank accordingly.

"It is suggested that you acquaint the bank with the Board's views which are known to your office with respect to making adequate provision for depreciation in banking quarters owned. It is suggested also that you advise the bank that, in accordance with the condition of membership numbered 8, any contemplated investments of this character should in the future be submitted to the Board for consideration before the transaction is effected."

Approved.

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

"Reference is made to your letter of January 2, 1935, regarding the condition of 'The Ohio Savings and Trust Company of New Philadelphia', New Philadelphia, Ohio.

"The report of examination of November 10, 1934, after allowance for estimated losses of \$23,000, doubtful assets of \$67,900, and after allowing for net appreciation of \$1,100 in securities, reflects a net sound capital of approximately \$176,000 as compared with deposits of \$1,630,000. The bank, however, has a heavy investment in fixed assets with the banking house carried at \$130,000 (of which \$30,000 has been classed as doubtful) and other real estate carried at \$82,400. It also appears that \$196,000 of potential other real estate is carried in the bank's loans.

"You advise that a conference has been held recently with the directors of this bank and the problem of providing funds to augment the bank's capital account and the elimination of estimated losses was thoroughly discussed. The report of examination states that the stockholders voluntarily contributed \$64,900 to the bank in 1933. Your letter states that it is quite apparent additional cash contributions by the stockholders are not available, that it is extremely doubtful whether the bank could resell any substantial amount of capital stock in the event that such stock was donated by present holders, and that the only correction which can be effected at this time is an elimination of losses aggregating \$5,033 with the understanding that the balance of losses as estimated will be charged out as rapidly as earnings permit. It has been noted that in your opinion the executive officer of the bank is exerting every possible effort to place it in a satisfactory condition, that it is felt that he has the support of the board of directors, and in the circumstances you feel it would seem proper to accept the corrections as effected.

"It is understood that under the present state laws, the common capital cannot be reduced below the present amount of \$150,000, and that banks exercising trust powers must maintain a certain amount of surplus. It is also understood that amendments to the state laws are under consideration whereby the \$100,000 of capital debentures sold to the Reconstruction Finance Corporation may be considered as the equivalent of capital stock for the purpose of meeting minimum capital requirements.

"In the circumstances, therefore, and especially in view

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"of the possible amendments to state law which would permit a reduction of common capital stock, it is believed that further action, other than to request the maximum amount of eliminations possible under the state law by the Reserve Bank might be deferred for the time being pending developments. It is assumed, however, that every consideration will be given to plans which will enable the bank to eliminate all undesirable assets as soon as possible.

"It is noted that the bank's trust department, while having been in operation for thirteen years, has acquired only a small volume of trust business, that the income therefrom does not appear adequate to support its operations, that the bank's officers admit their inexperience in trust administration and the examiner feels that the dissolution of this department would be a logical procedure in view of all the circumstances. The report of examination reflects some criticism of the operations of this department and it will be appreciated if you will advise the Board what action the bank has taken to improve the conditions commented upon and what plans, if any, it has for the future operations of the department."

Approved.

Telegram dated February 9, 1935, approved by five members of the Board, to Mr. Lichtenstein, Secretary of the Federal Advisory Council, reading as follows:

"The following topics are suggested for inclusion in program for next meeting Federal Advisory Council: Proposed Banking Act of 1935, HR 5357 and S 1715. Question whether Federal reserve banks should continue to function under section thirteen (b) of Federal Reserve Act or whether they should gradually discontinue making industrial advances and leave this field of activity to Reconstruction Finance Corporation."

Approved.

Letter dated February 8, 1935, approved by six members of the Board, to the Federal reserve agents at all Federal reserve banks, reading as follows:

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"Pursuant to the provisions of Sections III and V of Regulation 'Q' of the Federal Reserve Board, the Board has prescribed a maximum interest rate of 4 percent per annum on savings deposits and of 6 percent per annum on other time deposits payable only at offices of member banks located outside the United States.

"A copy of the Board's authorization is inclosed."

"MAXIMUM RATES OF INTEREST PAYABLE ON TIME AND SAVINGS DEPOSITS OUTSIDE OF THE UNITED STATES.

"Under the provisions of Regulation Q (paragraph (5) of subsection (c) of Section III and paragraph (5) of subsection (c) of Section V), a member bank may pay interest on a time or savings deposit which is payable only at an office of such bank located outside of the States of the United States and of the District of Columbia at a rate not exceeding the maximum rate set forth in Regulation Q 'or such higher maximum rate as may be prescribed by the Federal Reserve Board from time to time for payment in the locality in which such office is located'.

"In accordance with these provisions of Regulation Q, the Federal Reserve Board hereby prescribes the following maximum rates of interest which may be paid by member banks on time and savings deposits payable only at offices of such banks located outside of the States of the United States and of the District of Columbia:

"On time deposits as defined in Regulation Q, a rate not in excess of 6 per cent per annum, compounded quarterly, regardless of the basis upon which such interest may be computed;

"On savings deposits as defined in Regulation Q, a rate not in excess of 4 per cent per annum, compounded quarterly, regardless of the basis upon which such interest may be computed.

"Such maximum rates of interest shall be effective February 1, 1935, and until such time as different rates may hereafter be prescribed by the Federal Reserve Board.

"The above are the maximum rates of interest which may be paid by member banks on such deposits in any place outside of the States of the United States and of the District of Columbia. However, the Federal Reserve Board will expect that no member bank will pay interest on any such deposit at a rate in excess of that paid on deposits of a like class by competing institutions situated in the locality in which such payment of interest is made."

Approved.



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Letter dated February 8, 1935, approved by five members of the Board, to The National City Bank of New York, New York, New York, reading as follows:

"Receipt is acknowledged of your letter of January 16, 1935, (BCH), in which you request the Federal Reserve Board to authorize your bank to pay interest on deposits payable only at branches of your bank located outside the continental United States at rates not to exceed 4 percent on savings accounts and 6 percent on other time deposits.

"The reasons set forth in your letter for asking for authority to pay the above-mentioned rates on savings and time deposits have been carefully considered and, pursuant to the provisions of Sections III and V of Regulation 'Q' of the Federal Reserve Board, the Board has prescribed a maximum interest rate of 4 percent per annum on savings deposits and of 6 percent per annum on other time deposits payable only at offices of member banks located outside the United States. A copy of the Board's authorization is inclosed.

"For the Board's information, you are requested to report as of April 1 and October 1 of each year the rates paid on deposits by your foreign offices, and by other competing foreign and native banks in each of the countries where your foreign offices are located. It is requested that this information be furnished in the detail called for by the inclosed form."

Approved.

Letter dated February 8, 1935, approved by five members of the Board, to the Bank of America National Trust & Savings Association, San Francisco, California, reading as follows:

"Pursuant to the provisions of Sections III and V of Regulation 'Q' of the Federal Reserve Board, the Board has prescribed a maximum interest rate of 4 percent per annum on savings deposits and of 6 percent per annum on other time deposits payable only at offices of member banks located outside the United States. A copy of the Board's authorization is inclosed.

"For the Board's information, you are requested to report as of April 1 and October 1 of each year the rates paid on deposits by your foreign offices, and by other com-

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"peting foreign and native banks in each of the countries where your foreign offices are located. It is requested that this information be furnished in the detail called for by the inclosed form."

Approved, with the understanding that similar letters would be sent to the Bankers Trust Company, The Chase National Bank, and the Guaranty Trust Company, all of New York, New York, and the First National Bank of Boston, Massachusetts.

Memorandum dated January 28, 1935, from Mr. Wingfield, Assistant Counsel, suggesting, for the reasons stated in the memorandum, that no action be taken by the Board to report to the Attorney General a loan by the Peoples Savings Bank, Clanton, Alabama, a member bank, to Mr. L. C. Hendrix, Assistant National Bank Examiner. The suggestion was approved by five members of the Board on February 8.

Approved.

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

"The Board has given further consideration to the question whether section 32 of the Banking Act of 1933 is applicable to a director of a member bank who is serving as a director or officer of the State Street Investment Corporation.

"As you know, the Board expressed the opinion, on the basis of information which had previously been submitted to it, that section 32 was applicable, since it appeared that the corporation was actively engaged in purchasing and selling securities in its portfolio, and since it also appeared that the corporation was actively engaged in issuing its own shares.

"Following your letter of November 8, 1934, additional information has been submitted by the corporation bearing upon the first ground for the Board's opinion referred to above. This information is intended to show that the

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"figures relating to purchases and sales of securities in the corporation's portfolio included a number of transactions which should not properly have been included since they were not actually indicative of the policy and activities of the corporation with respect to such purchases and sales.

"The transactions which the corporation maintains should be thus excluded are of two general types. The first type involves purchases and sales of United States Government securities, which were acquired by the corporation from time to time and held as 'cash or its equivalent' pending investment in stocks and similar securities pursuant to the usual investment policies of the corporation in the regular course of its business. Under the circumstances, it appears that such purchases and sales of United States Government securities should not be included with purchases and sales of stocks and other similar securities in determining whether or not the activity in the corporation's portfolio is so great as to be inconsistent with a mere investment business.

"The other type of transaction which the corporation maintains should not be included are purchases and sales of securities in its portfolio resulting from sales and purchases of its own shares. The corporation maintains that, when additional amounts of its own stock are sold to the public, the resulting funds are invested pursuant to its regular course of business, and that such initial investments of new funds should not be included with other purchases in gauging the rate of turnover in the portfolio. Likewise, the corporation has repurchased a considerable number of its shares which were offered to it from time to time pursuant to the agreement under which such shares are issued. It was sometimes necessary for the corporation to sell securities from its portfolio in order to obtain cash with which to repurchase its shares. Therefore the corporation maintains that such sales from its portfolio were not indicative of its general policy respecting purchases and sales in its portfolio.

"Although it appears that every purchase and sale of the corporation's own stock did not of necessity result in the sale or purchase of the corresponding amount of securities in its portfolio, it nevertheless appears that, in certain years at least, these transactions resulted in additional activity in its portfolio, with the result that the figures originally submitted in this connection gave a somewhat false impression.

"On the basis of the additional information which has been furnished, it appears that the turnover in the corporation's investment portfolio after elimination of transactions of the two kinds described above, was at a rate

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"averaging less than 50 per cent per year for the period from January 1, 1931 to date, and the Board believes that the corporation is not actively engaged in purchasing and selling securities in its portfolio to such an extent that section 32 should be regarded as applicable to it.

"However, as stated above, the Board's previous opinion was also based upon the fact that the corporation appeared to be actively engaged in issuing its own stock for sale to the public. The additional information which has been submitted does not indicate that there has been any decrease in such activity. In fact, it appears that sales of the corporation's shares during the first ten months of 1934 were equivalent to over half of the total number of shares outstanding on March 31, 1933. Under the circumstances, it appears that the corporation is still actively engaged in selling its own shares to such an extent that section 32 should be regarded as applicable for that reason.

"It is understood, however, that the corporation proposes to discontinue the sale of its shares, and, in that event, the information which has been submitted would indicate that section 32 of the Banking Act of 1933 would not be applicable to the service of a director of a member bank as a director or officer of State Street Investment Corporation. You are requested to advise the corporation of the Board's views in the matter and obtain definite advice as to what action, if any, the corporation will take with regard to the termination of the sale of its own shares."

Approved.

Letter dated February 8, 1935, approved by five members of the Board, to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, reading as follows:

"Receipt is acknowledged of your letter of January 17, 1935 regarding the request of Mr. Willis H. Booth for a ruling as to the applicability of section 32 of the Banking Act of 1933 to his service as an officer of Guaranty Trust Company of New York, New York, New York, and as director of Cavanol Corporation, Jersey City, New Jersey, and as director of International Equities Corporation, Philadelphia, Pennsylvania. It is noted that you and counsel for your bank are of the opinion that section 32 is not applicable to these relationships.

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"With respect to Cavanol Corporation, it appears from the information which has been submitted that the corporation is 'a strictly private family holding company', the stock of which is entirely owned by Mr. Booth and his son, and that the corporation is used by them 'only for the investment of surplus funds'. It also appears that the corporation 'does not sell securities to anybody or underwrite any issues'. The corporation was organized May 1, 1932 and its common stock was issued to the two present stockholders. Later, additional shares were issued to a new stockholder, who contributed capital to the corporation, and these shares were subsequently repurchased at their then liquidating value. No other sales or purchases of the corporation's stock have been made.

"It appears that purchases and sales of securities by the corporation amounted to the following percentages of its total assets:

<u>Year</u>	<u>Purchases</u>	<u>Sales</u>
1932-1933	83.95	72.74
1933-1934	101.41	102.94
May - September 1934	0.06	0.04
Average for period	60.89	57.66.

"For the fiscal year 1933-1934 the corporation reports a profit from the sale of securities representing 26.64 per cent of its total gross profits. Losses on securities sales are reported for the other two periods referred to above.

"As of September 30, 1934 it appears that the securities in the corporation's portfolio have been held in the following percentages for the following periods:

Held for 6 months or less	45.7
Held between 6 and 12 months	1.4
Held 24 months and over	<u>52.9</u>
	100.

"Upon the basis of the information which has been submitted, the Board believes that Cavanol Corporation is not 'engaged primarily in the business of purchasing, selling, or negotiating securities' within the meaning of section 32.

"With respect to International Equities Corporation, it appears from the information which has been submitted that securities in the corporation's portfolio as of December 31, 1933 had been held in the following percentages for the following periods:

Held less than 6 months	0.
Held 6 to 12 months	.8
Held 12 to 18 months	1.7

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"Held 18 to 24 months	2.6
Held 24 months and over	94.9

"Purchases and sales of securities by the corporation amounted to the following percentages of its total assets:

<u>Year</u>	<u>Purchases</u>	<u>Sales</u>
1929	43.3	66.8
1930	55.3	18.2
1931	6.2	8.9
1932	4.4	14.9
1933	1.9	3.6

Average for five years	24.3	22.2
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"It appears that the corporation 'does no issuing or underwriting of any character, and it does not sell any securities to the public'.

"It appears that the Class A stock of the corporation was issued in exchange for assets of The United Equities Corporation (Delaware) and that the Class B stock was subscribed by two corporations and never offered or distributed to the public. The corporation has not issued or sold any further shares or other securities. During 1934 a little less than 8 per cent of the Class A stock was repurchased in the open market, for retirement. With this exception, it appears that during the past three years the corporation has not reacquired any of its own shares or other securities.

"Upon the basis of the above information, the Board believes that International Equities Corporation, also, is not 'engaged primarily in the business of purchasing, selling, or negotiating securities' within the meaning of section 32. It will be appreciated if you will advise Mr. Booth of the Board's views."

Approved.

Letter dated February 8, 1935, approved by five members of the Board, to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, reading as follows:

"Receipt is acknowledged of your letter of January 30, 1935, with further reference to the application of Mr. Nathaniel King under the provisions of section 32 of the Banking Act of 1933 for a permit to serve at the same time as director of Merchants and Newark Trust Company and as partner of Eisele, King & Nugent, both of Newark, New Jersey.

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"In its letter of November 20, 1934, the Board noted that the statistical information which had been furnished showed that for the five-year period 1929 to 1933, inclusive, approximately 95 per cent of the income of the firm appeared to have been derived from its brokerage business and approximately 5 per cent from 'dealings in securities'. However, it was also noted that during the year 1933 the income derived from dealings in securities showed a substantial increase and produced approximately 20 per cent of the gross income of the firm for that year. Accordingly, the Board requested you to obtain information regarding the business of the firm during the year 1934 in order that it might be determined whether the activities of the firm in dealing in securities were curtailed during the years immediately preceding 1933 merely because opportunities for engaging in such business were restricted or because the firm was not attempting to engage in such business.

"The information submitted with your letter of January 30, 1935 shows that the firm derived from 'over-the-counter security transactions' a profit amounting to only 1.55 per cent of the gross income derived from its brokerage business and that this profit was more than offset by a loss arising from the liquidation of a commitment made in 1933. It also appears from the other information developed by your office that the firm now regards its business as that of 'stock brokers' and makes no claim or attempt to do any other kind of business except brokerage business.

"Under the circumstances, the Board sees no reason to differ from the conclusion reached by you and your counsel that Eisele, King & Nugent should not be considered as 'engaged primarily in the business of purchasing, selling, or negotiating securities' within the intendment of section 32 and that, therefore, section 32 has no application to the relationships involved."

Approved.

Letter to Mr. Case, Federal Reserve Agent at the Federal Reserve Bank of New York, stating that the Board has reconsidered the Clayton Act application of Mr. Eugene F. Kinkead and has issued a permit as follows:

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Mr. Eugene F. Kinkead, for permission to serve at the same time as a director and officer of the Colonial Trust Company, New York, New York, as a director of the Hudson County National Bank, Jersey City, New Jersey, and as a director of the South Orange Trust Company, South Orange, New Jersey, for the period ending January 14, 1936.

Approved.

Letters to applicants for permits under the Clayton Act advising respectively of the issuance by the Board of permits as follows:

Mr. Thomas H. Eckerson, to serve at the same time as a director and officer of the Hudson County National Bank, Jersey City, New Jersey, and as a director and officer of The Bergen County National Bank of Hackensack, Hackensack, New Jersey, for the period ending January 14, 1936.

Mr. Gaston G. L. Valle, to serve at the same time as an officer of the Hudson County National Bank, Jersey City, New Jersey, and as a director of The Bergen County National Bank of Hackensack, Hackensack, New Jersey, for the period ending January 14, 1936.

Mr. M. C. Minor, to serve at the same time as a director of The Farmer's National Bank of Danville, Danville, Kentucky, and as a director of the Farmers Deposit Bank, Perryville, Kentucky, for the period ending January 14, 1936.

Mr. E. M. Perkins, to serve at the same time as a director of the Continental Bank and Trust Company, Fort Worth, Texas, as a director of the Continental State Bank, Petrolia, Texas, and as a director and officer of the Citizens National Bank of Crosbyton, Crosbyton, Texas, for the period ending January 14, 1936.

Approved.

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

<u>Application for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 5.</u>		
Citizens National Bank of Herndon, Herndon, Virginia.	33	33



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<u>Applications for ADDITIONAL Stock:</u>		<u>Shares</u>	
<u>District No. 3.</u>			
The Delaware City National Bank, Delaware City, Delaware.		24	
The Broad Street National Bank of Trenton, Trenton, New Jersey.		150	
The Cheltenham National Bank, Cheltenham, Pennsylvania.		36	
The Fogelsville National Bank, Fogelsville, Pennsylvania.		15	
The First National Bank of Knoxville, Knoxville, Pennsylvania.		12	
West Shore National Bank of Lemoyne, Lemoyne, Pennsylvania.		1	
The Central National Bank of Mount Union, Mount Union, Pennsylvania.		3	
The Cement National Bank of Siegfried at Northampton, Northampton, Pennsylvania.		30	
The First National Bank of Shippensburg, Shippensburg, Pennsylvania.		9	
Strausstown National Bank, Strausstown, Pennsylvania.		9	
The Farmers National Bank of Thompsontown, Thompsontown, Pennsylvania.		<u>2</u>	291
<u>District No. 7.</u>			
Glenwood State Bank, Glenwood, Iowa.		12	
Grand Haven State Bank, Grand Haven, Michigan.		3	
Holstein State Bank, Holstein, Iowa.		1	16
		<u>Total</u>	<u>307</u>
<u>Applications for SURRENDER of Stock:</u>			
<u>District No. 1.</u>			
The Liberty National Bank of Ellsworth, Ellsworth, Maine.		135	
The Dedham National Bank, Dedham, Massachusetts.		135	
The National Mount Wollaston Bank of Quincy, Quincy, Massachusetts.		<u>300</u>	570
<u>District No. 2.</u>			
The Rye National Bank, Rye, New York.		90	
The Merchants National Bank of Whitehall, Whitehall, New York.		<u>30</u>	120

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<u>Applications for SURRENDER of Stock: (Continued)</u>	<u>Shares</u>	
<u>District No. 3.</u>		
The Pennsauken Township National Bank of North Merchantville, North Merchantville, New Jersey.	17	17
<u>District No. 6.</u>		
Rhine Banking Company, Rhine, Georgia.	19	19
<u>District No. 7.</u>		
The First National Bank of Gibson, Gibson City, Illinois.	16	16
<u>District No. 9.</u>		
The First National Bank of Geysers, Geysers, Montana.	17	17
<u>District No. 11.</u>		
The Stockmens National Bank of Cotulla, Cotulla, Texas.		
	<u>90</u>	<u>90</u>
	Total	849

Approved.

Thereupon the meeting adjourned.

Robert Moriel  
Secretary.

Approved:

W. S. C. C. C.  
Governor.