

A meeting of the Federal Reserve Board was held in Washington on Monday, March 25, 1935, at 11:30 a. m.

PRESENT: Mr. Eccles, Governor
Mr. Thomas, Vice Governor
Mr. Hamlin
Mr. Miller
Mr. James
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 March 15 and 18, 1935, were approved.

The Board then acted upon the following matters:

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

"In view of the statements contained in your letter of March 16, the Federal Reserve Board approves the salaries fixed by the Executive Committee of your bank for Mr. J. J. Endres, Auditor, at the rate of \$5,000 per annum, effective April 1, 1935, and for Mr. Paul C. Hodge, Assistant to General Counsel, at the rate of \$3,600 per annum, also effective April 1, 1935. According to our records, Mr. Endres occupies an 'official' position, and Mr. Hodge occupies an 'appraised' position which is provided for in the bank's personnel classification plan."

Approved.

Letter to the board of directors of "The Farmers and Merchants State Bank", Wakefield, Kansas, 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 appropriate amount of stock in the Federal Reserve Bank of Kansas City.

Approved.

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

"The Board has reviewed the information submitted by you in connection with the application of 'The First National Bank of Ketchikan', Ketchikan, Alaska, for membership in the Federal Reserve System, and the recommendation of the executive committee of your bank that consideration of the application be deferred until such time as an economic survey can be made of the entire Alaskan territory and the need for membership by banks, both national and territorial, determined.

"It is understood that the recommendation of the executive committee, in which you concur, is predicated primarily upon the belief that the admission of The First National Bank of Ketchikan to membership would be followed by applications from the three other national banks and possibly all competing territorial banks; that several of the local banks in the territory would be unable to qualify for membership; that if the stronger banks were admitted to the System and the weaker ones denied admission, confidence would be destroyed and failures likely follow; and that the potential consequences are such that the executive committee does not care to assume responsibility for admission of The First National Bank of Ketchikan to membership at this time.

"The report of examination of The First National Bank of Ketchikan as of September 29, 1934, reflects a condition which meets the Board's usual requirements for admission to membership, and the report of examination of each of the other three national banks in the territory indicates that they would be able to qualify for membership. It is understood that The First National Bank of Ketchikan and the First National Bank of Juneau have been admitted to membership in the Federal Deposit Insurance Corporation. The Board has no information which would indicate that the insurance of the deposits of these banks has had any adverse effect on the banking situation in the Territory and it is not apparent, therefore, that admission of The First National Bank of Ketchikan to membership in the Federal Reserve System would create any unfavorable reaction.

"Since The First National Bank of Ketchikan is in a position to meet all of the requirements of the law and the conditions of membership which would be imposed by the Board, the question has been raised as to what the position of the Federal Reserve Bank of San Francisco and the Federal Reserve

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"Board would be in the event a critical banking situation should develop in the Territory and the national bank should point out that it had made application for membership in the System and was in a position to meet all of the requirements of membership, but that its application had been denied.

"The reports of examination of the national banks contain considerable detailed information with regard, not only to the condition of the national banks, but also with regard to what is believed to be the condition of the territorial banks. They also contain statements with respect to the business and economic conditions in the communities served by the national banks, and further information as to the economic situation in the Territory has been compiled by the credit department of your bank in a pamphlet entitled 'Economic Survey of Alaska'. It would appear, therefore, that the only material point on which definite information is lacking is the financial condition of each of the territorial banks, and such information could not be obtained without an actual examination of each bank, but, assuming that their condition is not substantially different from that indicated in the available information, the Board is unable to see that the problem presented differs substantially from that which has been confronted when applications have been received from banks in communities in the United States in which other banks in a weakened condition were situated.

"Accordingly, it would appear that all necessary information is available for a determination of the question of policy with regard to the admission of banks in the Territory of Alaska to membership in the Federal Reserve System, and, the question of membership of The First National Bank of Ketchikan having been pending for approximately a year and a half, the Board is inclined to the opinion that the application should be approved.

"However, before taking final action, the Board desires to advise you of its attitude, and to afford you and the directors of the Federal Reserve Bank of San Francisco an opportunity to consider the matter further in the light of the views expressed herein. If it is still felt that a further survey of conditions in Alaska is desirable, the Board requests that you have such a survey made by a representative of your bank without delay, and that you advise the Board within thirty days of the final conclusions of your directors."

Approved.

Mr. Miller stated that inasmuch as the letter was written in accordance with the action taken at the meeting of the Board on March 22,

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1935, he had no objection to its being sent but that he was not in accord with the view expressed in the letter that the Board is unable to see that the problem presented by the application differs substantially from that which has been confronted when applications have been received from banks in communities in the United States in which other banks in a weakened condition were situated.

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

"Reference is made to the report of examination of 'The Central Trust Company', Cincinnati, Ohio, as of October 8, 1934, and the supplementary information submitted in connection therewith.

"The bank's letter of January 30, 1935, advises that approximately \$196,000 of the \$512,000 estimated losses in loans shown in the report of examination as of October 8, 1934, have been charged off, after which there remained a balance of \$175,000 in the reserve for losses, which is apparently applicable to criticized loans. It appears, therefore, that no provision has been made for estimated losses of \$141,000 in loans. The report of examination reflected depreciation of \$481,500 in stocks and defaulted bonds and the bank advises that \$200,000 of the depreciation in stocks and defaulted bonds has been charged off, leaving a balance of \$270,000 in the reserve for security depreciation, and that there had been an appreciation of at least \$450,000 in the market value of securities not in default, the depreciation in which amounted to \$766,000 on date of examination.

"It will be appreciated if you will advise as to the action which has been or will be taken by the bank with regard to the further elimination of losses and depreciation and also as to whether the reserves mentioned above are treated as valuation reserves and deducted from the respective accounts in the bank's statements, or whether they are included in the total of liabilities and capital accounts. In this connection reference is made to your telegram of April 19, 1934, in which it was stated that the reserve of \$1,000,000 remaining unallocated after the capital adjustment and certain charge-offs had been made was not to be published. The report of examination, however, makes no mention of valuation reserves and includes in reserves for contingencies reserves for depreciation in securities and losses in other assets.

"The report of examination indicates, also, that the following corporate stocks have been added to the bank's

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"Investment account since the examination as of January 15, 1934:

600 shares Carthage Mills, Inc.	common
125 shares Cincinnati Baseball Club	common
72 shares Cincinnati Bickford Tool Co.	preferred
60 shares Cincinnati Land Shares	
194 shares Corno Mills Co.	common
61 shares Eustis Packing Co.	common
4,360 shares Richardson Co.	common
300 shares Warren Bros.	common

"The report of examination does not indicate whether the stocks were acquired on account of debts previously contracted, and in view of the provisions of law prohibiting the purchase of stocks except in certain limited cases, it will be appreciated if you will forward advice as to whether the stocks were acquired under authorization of law.

"Your letter of December 14, 1934, stated that it was your intention at a subsequent date to confer with the president of the bank in an endeavor to effect some change in the management and policies, and it will be appreciated if you will keep the Board advised as to any developments which may occur in this connection, as well as to any other corrections and improvements which may be effected in the condition of the bank."

Approved.

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

"Membership condition numbered 5, applicable to the 'State-Planters Bank and Trust Company', Richmond, Virginia, provides in part that

' . . . you shall not reduce your capital stock without first having obtained the approval of the Federal Reserve Board . . . '

"It appears that in February 1934 the bank reduced its common capital stock from \$2,500,000 to \$1,250,000 and that the Board's approval for the reduction was not obtained as required under the provisions of the membership condition quoted above. It has been noted, however, that all of the capital released as a result of the reduction was applied toward the elimination of objectionable assets of the bank and that the amount of the reduction in common capital stock was more than offset by the \$2,000,000 in preferred stock

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"simultaneously sold to the Reconstruction Finance Corporation. In view of such circumstances, therefore, and in order that there may be no question raised in the future as to the compliance with the condition of membership by reason of the capital adjustment, the Board approves the action taken by the bank in February 1934 in reducing its common capital stock from \$2,500,000 to \$1,250,000.

"The copy of the certificate of incorporation of the bank, with amendments (including the amendment in connection with the reduction of common capital stock from \$2,500,000 to \$1,250,000) transmitted with Mr. Fry's letter of February 16, 1935, was accompanied by an opinion of Counsel for the Reserve Bank that the certificate of incorporation as amended is valid and effective, and it is assumed, therefore, that the transaction has had the approval of the appropriate State authorities.

"It is suggested that you call the bank's attention to the part of membership condition numbered 5 quoted above in order that appropriate reference thereunder to the Board may not be overlooked in future transactions involving a reduction in capital stock.

"It has been noted from Mr. Fry's letter of February 13, 1935, that the Board will be advised relative to the action which has been taken in connection with matters of criticism reflected in the report of examination of the bank as of December 15, 1934."

Approved.

Letter to Mr. Clark, Assistant Federal Reserve Agent at the Federal Reserve Bank of Atlanta, reading as follows:

"Reference is made to the report of examination of the 'Citizens State Bank', Marianna, Florida, as of November 19, 1934, and the supplemental information submitted in connection therewith.

"The report of examination reflects a net sound capital of approximately \$18,500 after allowance for estimated losses, doubtful assets, and depreciation in securities, as compared with deposits of \$399,000, and an investment of \$23,100 in fixed assets and of \$14,900 in other real estate. It has been reported, however, that following the examination a contribution of \$5,000 was made for the purpose of removing the estimated loss of that amount in the B. H. Baker line, and that the remainder of the line, amounting to \$7,300 classified as doubtful, would be removed through refinancing

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"in which event the net sound capital of the bank would be increased to approximately \$31,000, which, however, would still be less than the desired ratio.

"It appears that although your office and the State banking authorities have endeavored to have the bank strengthen its capital position, the management does not agree that such action is necessary or desirable in the circumstances, and has no plans for increasing the capital through the sale of preferred stock or otherwise. It is noted that deposits have increased from \$256,000 on January 16, 1933, and \$282,000 on May 15, 1934, to \$399,000 on November 19, 1934, and that the president states that the unfavorable ratio of capital to deposits as disclosed by the report of examination as of November 19, 1934, was due to the seasonal increase in deposits, and that the ratio would be within the requirements when the farmers in the section begin to make disbursement for crop production purposes. In view, however, of the bank's heavy investment in banking house and other real estate, it is felt that an increase in capital is desirable, and it is hoped that your efforts and those of the State banking authorities in this connection will be successful.

"It will be appreciated if you will forward advice as to whether the plan for refinancing the Baker line has been consummated and if you will keep the Board advised as to any developments regarding the strengthening of the capital position."

Approved.

Letter dated March 23, 1935, approved by six members of the Board, to Mr. Logan, General Counsel for the Federal Reserve Bank of New York, reading as follows:

"Receipt is acknowledged of your letter of March 19, 1935 in which you advise that the directors of the Federal Reserve Bank of New York have decided that it is advisable to consult Mr. Newton D. Baker with regard to certain legal questions, stated in your letter, with reference to the return of the old form of gold certificates now held by your bank to the Treasury Department in accordance with the telegram from the Department dated January 26, 1935.

"You refer to the Board's letter of February 15, 1926 (X-4531), and request the Board's approval of the employment of Mr. Baker in this matter. In this connection you advise

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"that it is not possible at this time to estimate what Mr. Baker's charge will be for such services, but you assume that it will be in excess of \$1,000.

"The Federal Reserve Board offers no objection to the employment of Mr. Baker by the Federal Reserve Bank of New York for the purposes mentioned in your letter, upon condition, however, that the matter be again submitted to the Board before the payment of or agreement to pay any fee to Mr. Baker in excess of \$1,000."

Approved.

Letter to Mr. J. F. Herson, Administrative Assistant, Reconstruction Finance Corporation, reading as follows:

"This supplements the Board's letters of February 6 and March 2, 1935, transmitting advice as to whether certain State member banks in which the Reconstruction Finance Corporation is interested are subject to a condition of membership requiring approval by the Federal Reserve Board of a reduction in capital.

"The Manufacturers Trust Company, New York, N. Y., is not subject to such a condition.

"This completes the information requested in your letter of January 23, 1935."

Approved.

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

"The Federal Reserve Board has under consideration applications of the Transamerica Corporation and the Transamerica Bank Holding Company, both of San Francisco, California, for voting permits under the provisions of section 5144 of the Revised Statutes of the United States, as amended, entitling such corporations to vote the stock which they own or control of the Bank of America National Trust and Savings Association, San Francisco, California, The First National Bank of Portland, Portland, Oregon, and the First National Bank in Reno, Reno, Nevada.

"As you know, the Board, under the law, is authorized in its discretion to grant or withhold permits to holding company affiliates of member banks to vote the stock of such banks

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"held by such affiliates as the public interest may require. In acting upon applications for such permits, the Board is specifically required to consider the financial condition of the applicant, the general character of its management and the probable effect of the granting of a permit upon the affairs of the member banks involved. In accordance with the usual practice in acting upon such applications, it is proposed to prescribe certain requirements in connection with the issuance of voting permits to the Transamerica Corporation and the Transamerica Bank Holding Company which it is believed are desirable in order to effect a proper discharge of the Board's responsibilities under the law. The requirements which are proposed in these cases are set out in detail in letters, with inclosures, to be transmitted to the Transamerica Corporation and the Transamerica Bank Holding Company, and copies of these letters, with inclosures, are attached hereto. You will observe that some of the requirements are applicable to the national banks of which the corporations are holding company affiliates, and, before such letters are transmitted, the Board would be glad to have any views which you may care to express with regard to the proposed requirements which are applicable to the national banks involved. The proposed requirements in connection with the applications of the Transamerica Corporation and the Transamerica Bank Holding Company are substantially similar, since these corporations are holding company affiliates of the same member banks, but it is deemed desirable to furnish you with a copy of the letter and inclosure which will be transmitted to each of these corporations in order that you may have complete information in the premises.

"For your assistance in connection with this matter, there is also inclosed a copy of a memorandum prepared by the Board's Division of Examinations under date of January 28, 1935, with regard to the proposed requirements, and, of course, if your office desires any further information which the Board may have regarding the matter the Board's files will be available to your office. You will observe that the memorandum of January 28, 1935, contains references to proposed requirements in connection with The First National Corporation of Portland as a holding company affiliate. However, The First National Corporation of Portland has ceased to be a holding company affiliate, and, accordingly, the references to that corporation in such memorandum may be disregarded."

Approved.

Letter dated March 23, 1935, approved by five members of the Board,

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to Mr. T. Carl McHenry, Cashier of the Columbia County National Bank, Benton, Pennsylvania, reading as follows:

"This refers to your letter dated March 13, 1935 in which you ask to be advised concerning the interpretation which the Federal Reserve Board places upon the exception 'contracts entered into prior to December 18, 1934', in Regulation Q, Series of 1935.

"It is understood that you refer to the provisions in section III(c)(2) and section V(c)(2) of Regulation Q. These provisions allow member banks to pay interest on time and savings deposits in accordance with the terms of any contract which was lawfully entered into in good faith prior to December 18, 1934, which was in force on that date, and which may not legally be terminated or modified by the bank at its option or without liability. Each member bank received notice on or about December 18, 1934 of the reduction in the interest rate from 3% to 2½% to become effective February 1, 1935, and it became the duty of each member bank upon receiving such notice to terminate or to modify its time and savings deposit contracts so as to bring them into conformity with the provisions of the regulation on February 1st, if legally possible.

"In many cases time deposits and savings deposits may be terminated or modified by the bank by giving a reasonable notice or a notice of a specified period, usually 30 days, and, in cases where such termination or modification was possible, it became the duty of the bank to bring its contracts into conformity with the provisions of Regulation Q on February 1, 1935. If such termination or modification was not legally possible under the terms of the contracts, interest may be paid to maturity on such contracts lawfully entered into in good faith prior to December 18, 1934 and in force on that date, but such contracts may not be renewed or extended unless they be modified to conform to the provisions of Regulation Q.

"In your letter you state that your bank's interest periods are May and November and you ask to be advised how the revised regulation will affect your particular case. In the absence of specific facts regarding the terms of the contracts between your bank and its time and savings depositors, the Federal Reserve Board is unable to advise as to the effect of the regulation upon such contracts.

"If further information is desired regarding this matter, it will be appreciated if you will communicate with the Federal Reserve Agent at the Federal Reserve Bank of Philadelphia. In corresponding with such Federal Reserve Agent it is believed

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"that your inquiry will be facilitated if you furnish all of the facts regarding the particular situation concerning which you desire advice.

"The stamped, self-addressed envelope inclosed with your letter is returned herewith."

Approved.

Letter to Mr. Pope McAdams, Vice President of the First National Bank, Louisville, Kentucky, reading as follows:

"Reference is made to your letter dated February 25, 1935, in response to the Board's letter of February 21, 1935, regarding the question whether a loan of money by the First National Bank, Louisville, Kentucky to a holder of the bank's certificate of deposit, upon the security of such certificate of deposit, constitutes a violation of section 19 of the Federal Reserve Act and of the Board's Regulation Q prohibiting the payment of time deposits before maturity.

"You state that in your previous letter you failed to mention that on any loan made by the bank upon the security of its certificate of deposit, the bank would charge interest at the rate of 6 per cent, while the certificate itself bears interest at the rate of $2\frac{1}{2}$ per cent. You then present the following inquiry: 'I am wondering if the payment of our certificate eventually paid our loan, if this would be construed as a purchase of the Certificate at a discount'.

"The meaning of this inquiry is not clear to the Board, and, accordingly, the Board does not undertake to answer the question at this time, but will be glad to consider the question if further facts are presented, assuming, of course, that the inquiry does not involve a ruling upon the question whether the making of a particular loan upon the security of a certificate of deposit constitutes a violation of the Board's Regulation Q. As stated in its previous letters to you upon this subject, the Board believes that such question should be considered by the member bank at the time such transaction is proposed and should be determined by the bank in the exercise of its best judgment and in the light of the provisions of the law and the Board's regulation.

"In your letter of February 25, 1935, you state a case in which an owner of one of the bank's certificates of deposit, which had about five months to run, applied to the bank for a sixty day loan. It is understood that the certificate was offered as security for such loan. You state that the proposed

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"borrower stated that he did not have to rely upon the payment of the certificate of deposit to liquidate his loan, and that he would be able to pay the loan in full within sixty days without resort to the certificate. You also state that the bank did not make this loan, but that you would like to have a ruling on a case where a customer makes a written statement of this kind and files it at the time he applies for the loan.

"The Federal Reserve Board is of the opinion that the making and filing of such a statement as that described above is one fact which may properly be considered by the bank, together with all of the other facts and circumstances of the case, in determining whether it should make a proposed loan upon the security of a certificate of deposit. However, for the reasons stated in its previous letters, the Board believes that it should not undertake to rule upon the question whether this fact or any other fact or circumstance is controlling in determining whether or not a particular loan upon the security of a certificate of deposit constitutes a violation of Regulation Q."

Approved.

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

"There is inclosed a copy of a letter, dated March 16, 1935, received by the Federal Reserve Board from Mr. C. B. Eilenberger, Third Assistant Postmaster General, containing certain suggestions with respect to keeping a description of currency shipments made by Federal Reserve banks and to including some new currency in all such shipments.

"It will be appreciated if you will advise the Board at your early convenience as to the present practice of your bank in this respect and of your views on the suggestions contained in Mr. Eilenberger's letter, with particular reference to the feasibility of the suggestions and the approximate annual cost of complying therewith."

Approved.

Letter to the Federal reserve agents at all Federal reserve banks, reading as follows:

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"Under date of March 1, 1935 (X-9138), the Board transmitted to you for your confidential information, in connection with matters arising under the provisions of section 22(g) of the Federal Reserve Act, a copy of Department Circular No. 2640, dated December 20, 1934, which the Attorney General issued to United States Attorneys, regarding the application of the term 'executive officer' as it is used in that section.

"The Board is now in receipt of a letter from Assistant Attorney General Joseph B. Keenan, in which he states that the circular was issued to United States Attorneys for their guidance and that usually such circulars are regarded as confidential, but that in the instant case the Department of Justice sees no reason why the information contained in Department Circular No. 2640 should be withheld from any interested person. In the circumstances, you are authorized to advise interested parties of the substance of such circular only in connection with cases in which a question as to who should be considered an 'executive officer' is involved."

Approved.

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

"Reference is made to your letter of March 11, 1935 in reply to the Board's letter of March 8, 1935 (X-9143) concerning security for trust funds deposited in banking departments of member banks. You state that Arizona is the only State in your district in which State laws have made it necessary for State member banks to request exemption from compliance with the membership condition referred to in the Board's letter and that counsel for your bank has already made the investigation with reference to the laws of that State suggested in the last paragraph of the Board's letter, a copy of his opinion having been transmitted to the Board at an earlier date.

"In order that there may be no misunderstanding concerning the Board's views, it perhaps should be explained that it is the Board's position that it is justified in waiving compliance with the membership condition in question solely on the ground that uninvested trust funds are adequately protected by other safeguards and that it is not material whether the banks can or cannot make the deposits of securities provided for by that condition. Accordingly, the investigation which the Board suggested concerning safeguards afforded uninvested trust funds by State law should cover the laws of all of the States in your

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"district even though the banks in the States other than Arizona can make the deposits of securities provided for by the membership condition and have not requested exemption from compliance with the condition."

Approved.

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

"This refers to Mr. Edward H. Osgood's letter of March 11, 1935 in which he asks whether a broker subject to Regulation T may effect the short sale of an unregistered, nonexempted security for a customer.

"A broker subject to Regulation T is permitted to effect the short sale of an unregistered, nonexempted security for a customer. However, under the provisions of clause 3 of section 3(f) of the regulation, the short sale of any security in an account in which such a broker is extending or maintaining credit for the purpose of purchasing or carrying securities, would require that the margin customarily required on such a commitment be included in computing the adjusted debit balance of the account. Therefore, the short sale of an unregistered, nonexempted security, like the short sale of any other security, might make it necessary for the broker to demand and obtain additional margin, depending upon the status of the account at the time of such short sale."

Approved.

Letters dated March 22, 1935, approved by five members of the Board, to Mr. Austin, Federal Reserve Agent at the Federal Reserve Bank of Philadelphia, inclosing the following amended Clayton Act permits for transmission to the applicants:

Mr. W. Ernest Brown, to serve at the same time as a director and officer of The First National Bank of Le Raysville, Le Raysville, Pennsylvania, and as a director of the Peoples State Bank, Wyalusing, Pennsylvania, for the period ending January 14, 1936.

Mr. William H. Hartman, to serve at the same time as a director and officer of The Peoples National Bank and Trust Company of Pemberton, Pemberton, New Jersey, and as a director of the Woodbury Trust Company, Woodbury, New Jersey, for the

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period ending January 14, 1936.

Approved.

Letter to Mr. Austin, Federal Reserve Agent at the Federal Reserve Bank of Philadelphia, inclosing the following amended Clayton Act permit for transmission to the applicant;

Mr. John C. Gault, to serve at the same time as a director and officer of The First National Bank of Coudersport, Coudersport, Pennsylvania, and as a director and officer of The Coudersport Trust Company, Coudersport, Pennsylvania, for the period ending January 14, 1936.

Approved.

Letters dated March 22, 1935, approved by five members of the Board, to applicants for Clayton Act permits advising respectively of the issuance of permits by the Board as follows:

Mr. Oliver Jernagan, Jr., to serve at the same time as a director and officer of The First Bank and Trust Company, Pensacola, Florida, and as a director and officer of the First National Bank in Milton, Milton, Florida, for the period ending January 14, 1936.

Mr. James I. Van Keuren, to serve at the same time as a director of the Federal Home Loan Bank of Indianapolis, Indianapolis, Indiana, and as a director and officer of the Industrial Bank, Lansing, Michigan, for the period ending January 14, 1936.

Approved.

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

Mr. Howard Holderness, to serve at the same time as a director of the Security National Bank of Greensboro, Greensboro, North Carolina, and as a director of the Greensboro Joint Stock Land Bank, Greensboro, North Carolina, for the period ending January 14, 1936.

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Mr. L. H. Sellars, to serve at the same time as a director of the Security National Bank of Greensboro, Greensboro, North Carolina, and as a director and officer of the Greensboro Joint Stock Land Bank, Greensboro, North Carolina, for the period ending January 14, 1936.

Mr. H. E. Fuqua, to serve at the same time as a director and officer of The First National Bank of Amarillo, Amarillo, Texas, and as a director of The First National Bank in Pampa, Pampa, 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. 9.</u> The Miners National Bank of Butte, Butte, Montana.	66	66
<u>Applications for ADDITIONAL Stock:</u>		
<u>District No. 7.</u> Davenport Bank and Trust Company, Davenport, Iowa.	60	60
<u>District No. 10.</u> The First National Bank of Walsenburg, Walsenburg, Colorado.	18	
The First National Bank in Tonkawa, Tonkawa, Oklahoma.	<u>9</u>	27
<u>District No. 12.</u> Springville Banking Company, Springville, Utah.	<u>3</u>	<u>3</u>
	<u>Total</u>	<u>90</u>
<u>Applications for SURRENDER of Stock:</u>		
<u>District No. 7.</u> The Oakland National Bank, Oakland, Illinois.	28	28
<u>District No. 9.</u> The First National Bank & Trust Company of Fargo, Fargo, North Dakota.	<u>60</u>	<u>60</u>
	<u>Total</u>	<u>88</u>

Approved.

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Thereupon the meeting adjourned.

Orestes Moriel
Secretary.

Approved:

W. Steeles
Governor.