

A meeting of the Executive Committee of the Federal Reserve Board was held in Washington on Monday, August 12, 1935, at 11:30 a. m.

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

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

The Committee acted upon the following matters:

Telegram dated August 12, 1935, from Mr. Powell, Secretary of the Federal Reserve Bank of Minneapolis, advising that, at a meeting of the board of directors today, no change was made in the bank's existing schedule of rates of discount and purchase.

Without objection, noted with approval.

Memorandum dated August 12, 1935, from Mr. Morrill, recommending that the temporary appointment of Miss Lucy E. Fulwiler, as a stenographer in the Secretary's office, be extended for a period of three months from September 3, 1935, with no change in her present salary at the rate of \$125 per month.

Approved.

Memorandum dated August 8, 1935, from Mr. Smead, Chief of the Division of Bank Operations, recommending that the temporary appointment of Mr. Edgar B. Barton as a file clerk in the Division, be extended for a period of not to exceed six months beginning August 26, 1935, with no change in his present salary at the rate of \$1,440 per annum.

Approved.

8/12/35

-2-

Memorandum dated August 7, 1935, from Mr. James submitting letters dated July 11 and 18, 1935, from Mr. Strater, Secretary, and August 5 from Mr. Hays, Assistant Cashier, of the Federal Reserve Bank of Cleveland, which requested approval of certain changes in the personnel classification plan of the bank. The memorandum stated that the Committee had reviewed the proposed changes and recommended that they be approved. The recommendation was approved by four members of the Board on August 10, 1935.

Approved.

Letter dated August 10, 1935, approved by four members of the Board, to Mr. Stevens, Federal Reserve Agent at the Federal Reserve Bank of Chicago, reading as follows:

"Receipt is acknowledged of Mr. Young's letter of August 5, 1935, regarding the pending application of the 'First State Bank of Valparaiso', Valparaiso, Indiana, for membership in the System.

"Mr. Young reports that the bank is unable to eliminate the capital impairment by reducing its capital stock inasmuch as the laws of the State of Indiana do not permit the bank to reduce its common capital stock below \$100,000, the amount at present outstanding. In the circumstances, therefore, unless otherwise requested, the Board, as stated in its telegram of July 15, 1935, will continue to hold the application in abeyance pending the outcome of current banking legislation which may make possible the admission to membership of banks with impaired capital."

Approved.

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

"Reference is made to the report of examination of the 'First Trust Company of Albany', Albany, New York, as of

8/12/35

-3-

"April 27, 1935, and to the supplemental information submitted in connection therewith.

"After allowance for estimated losses, doubtful assets and depreciation in securities, the report of examination reflects a net sound capital of \$2,189,100 as compared with deposits of \$25,281,400. The report, however, reflects an investment of \$1,456,000 in banking premises and an investment of \$999,000, after allowance for \$96,000 classified as estimated loss, in other real estate, either directly or through the Marble Pillar Realty Company, a wholly owned affiliate. In addition, the examiner has classified loans of \$1,239,000 as potential other real estate in which a loss of \$52,000 has been estimated.

"Estimated losses and depreciation as classified by your examiner were as follows:

Losses:

Loans and discounts	\$614,400	
Other real estate	25,000	
Cash items	<u>400</u>	\$ 639,800

Depreciation in securities:

Group 1 (Appreciation)	\$288,600	
Group 2	<u>395,800</u>	107,200
Defaulted bonds		222,600
Depreciation in stocks		<u>556,500</u>
		886,300
		<u>\$1,526,100</u>

"The earnings and dividends report rendered by the bank as at the close of business June 30, 1935, indicated that since the date of examination charge-offs of approximately \$39,000 had been made and the bank has reported that on July 1, 1935 charge-offs were authorized as follows:

Loans		\$227,600	
Other real estate		25,000	
Accrued interest		2,800	
Stocks	\$375,000		
Defaulted bonds	<u>23,800</u>	<u>398,800</u>	\$654,200

"After giving effect to the charge-offs authorized July 1, 1935, the capital accounts as shown by the call report of condition as of June 29, 1935, will be as follows:

Capital debentures	\$2,500,000
Common stock	500,000
Surplus	100,000
Undivided profits	26,000
Reserves for contingencies	383,000

It will thus be noted that while substantial eliminations have been effected, there remains a large aggregate of estimated losses and depreciation for which provision has not been made, and that reserves for contingencies have not been used in full

8/12/35

-4-

"to provide for eliminations.

"Among the criticisms reported by the examiner are the excessive amount of past due paper, aggregating \$3,093,000, of which \$2,735,000 was classed as statutory bad debts; the large proportion of loans predicated directly or indirectly upon real estate, many of which are considered as being unwarranted and with speculative aspects; and the excessive amount of non-earning assets which constitute a serious handicap to the bank's earning power.

"The Board is pleased to note that the present management has been able to effect some progress in improving the condition of the bank, that it is undertaking to improve the quality of the investment account, that the slow and doubtful paper appears to be receiving close attention, and that a Trust Committee has been appointed and is functioning.

"Since, however, it appears that much remains to be done to place the bank in a satisfactory condition, it will be appreciated if you will keep the Board advised as to the progress made in strengthening its condition and in the further elimination of unsatisfactory assets."

Approved.

Letter dated August 10, 1935, approved by four members of the Board, 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 Colonial Trust Company', Pittsburgh, Pennsylvania, as of April 23, 1935, and the supplementary information submitted in connection therewith.

"You have previously reported that a stockholders' meeting has been called for September 19, 1935, to act upon the proposal to sell \$1,400,000 preferred stock to the Reconstruction Finance Corporation, which corporation has given a commitment to purchase preferred stock in that amount. The strengthening of the capital structure appears especially desirable in view of your comments regarding the large loans and investments which, although not classified as doubtful or estimated loss, are not considered suitable assets for a bank, and it is hoped that the capital adjustments may be promptly consummated.

"The report of examination of the Freehold Bank, a non-member bank which is a wholly owned affiliate of The Colonial Trust Company, made as of April 23, 1935, in connection with the examination of The Colonial Trust Company, indicates that

8/12/35

-5-

"the apparent abuse of the relationship which was commented on in the Board's letter of March 18, 1935, remains largely uncorrected. The reports of examination of the two banks indicate that \$770,000 or 70 per cent of the total deposits of the Freehold Bank, represents deposits of trust funds made by The Colonial Trust Company, and that in turn the Freehold Bank carried a deposit of \$932,000 with The Colonial Trust Company, an amount equivalent to more than 85 per cent of the total deposits of the Freehold Bank. In this connection the examiner reports that it was admitted that the affiliation was used as a device to enable The Colonial Trust Company to obtain the benefit of the deposit of trust funds without pledge of collateral as required by law. The reports of examination also indicate that the Freehold Bank has been used as a device for carrying loans to directors, officers, and employees of The Colonial Trust Company, and their interests, including loans secured in whole or in part by stock of The Colonial Trust Company. There is no information to indicate that the loans were not originally granted by the Freehold Bank on the basis of such collateral. Unless the shares of The Colonial Trust Company were taken to protect loans previously contracted in good faith, extension of credit on the basis of such collateral, as well as the ownership by the Freehold Bank, a wholly owned affiliate, of 94 shares of The Colonial Trust Company represent transactions which are in violation of the spirit, if not an actual violation, of the provisions of section 9 of the Federal Reserve Act prohibiting a State member bank from making loans on the security of the shares of its own capital stock and from purchasing such shares. It appears that the two institutions not only occupy the same quarters but the same cages, and that the records and activities of the banks are intermingled, in fact, so much so that the examiner reported that apparently some customers were not aware as to whether they were borrowing from one bank or the other, and that bank officials themselves were prone to confuse the assets of the Freehold Bank with those of The Colonial Trust Company.

"It has been noted that the examiner is of the opinion that the Freehold Bank does not perform a real banking service and that it is useful only to The Colonial Trust Company in accomplishing certain functions which that company itself should perform, if permitted by law and in accordance with sound banking principles. The examiner recommends, therefore, that the Freehold Bank be liquidated and its assets and liabilities taken over by The Colonial Trust Company. In your letter dated April 9, 1935, you state that some of the directors apparently were of the opinion that the Freehold Bank should be liquidated subsequent to the recapitalization of The Colonial

8/12/35

-6-

"Trust Company.

"In view of the information submitted, it would appear that the absorption of the Freehold Bank by The Colonial Trust Company would be a logical development. In any event, however, the Board feels that unless and until the two banks are merged or consolidated, the two institutions should occupy separate and distinct quarters and that there should be no intermingling of assets or records. The Board also is firmly of the opinion that the affiliation should not be used as a subterfuge whereby, in effect, The Colonial Trust Company is able to evade the requirements of the laws of Pennsylvania that the trust funds deposited by the trust department in the commercial department of a bank be secured by pledge of collateral. It will be appreciated if you will advise the bank of the Board's views in this connection, and if you will report to the Board what action will be taken to correct the situation.

"It has been noted that The Colonial Trust Company owns a membership in the Pittsburgh Stock Exchange, a national securities exchange, by reason of which the bank is subject to the provisions of the Securities Exchange Act of 1934 and the Board's Regulation T. The examiner stated, however, that so far the bank had not complied with the regulation and that, if the bank intends to retain its membership in the exchange, it should familiarize itself with the provisions of the regulation and conform thereto. It will be appreciated if you will advise what steps the bank has taken to conform with the provisions of law in this respect and Regulation T.

"The Board will be pleased to be advised from time to time of any improvements effected in the condition of the bank and corrections made of other matters criticized in the report of examination, particularly with respect to the increase of capital, strengthening of the management, and elimination of losses and depreciation."

Approved.

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 August 5, 1935, inclosing a copy of a letter dated July 26, 1935, from the Lawyers County Trust Company, New York, New York, requesting a further extension of time to January 1, 1936, within which to comply with the provisions of membership condition numbered 19, which reads as follows:

8/12/35

-7-

"Such bank shall, within six months from the date of its admission to membership, dispose of any loans which may be secured in whole or in part by its own stock or obtain other security for each such loan."

"The bank was admitted to membership April 13, 1933, and the Board has heretofore twice extended the time for compliance with the condition, the latest extension being to September 1, 1935. According to the information submitted, there has been no change since September 17, 1934, in the amount of such stock held as collateral, the bank still holding 1,333 shares as collateral to four loans. It has been noted that in the report of examination of the bank as of October 27, 1934, losses were estimated in two of the loans so secured, and according to the information submitted with Mr. Dillistin's letter of August 5, 1935, moderate reductions have been made in the other two loans. It is understood that in each case the stock was taken to protect loans previously granted in good faith, that the trust company has found it difficult to market the stock at the present time, as the market is reported to be especially thin, that the owners of the stock have requested an opportunity to work out of their difficulties, and that the holding of the stock as collateral is specifically permitted by Resolution No. 24 of the New York State Banking Board.

"In view of the circumstances, the Board extends to March 1, 1936, the time within which the bank may comply with the provisions of condition of membership numbered 19. Please advise the bank accordingly. It has been noted that the bank requested an extension only to January 1, 1936, but it is understood that subsequently the bank requested that an extension of six months, or to March 1, 1936, be granted. Accordingly, an extension to that date has been granted in accordance with the recommendation of your office."

Approved.

Letter dated August 10, 1935, approved by three members of the Board, to Mr. Stevens, Federal Reserve Agent at the Federal Reserve Bank of Chicago, reading as follows:

"This refers to your letter of July 15, 1935, and previous correspondence relative to compliance by the Springfield Marine Bank, Springfield, Illinois, and other State member banks in Illinois with the condition of membership prescribed by the Board which is to the effect that if trust funds held by a bank are deposited in its banking department or otherwise used in the conduct of its business, it shall deposit securities with its

8/12/35

-8-

"trust department to secure the payment of such funds.

"On the basis of the opinion of the Supreme Court of Illinois, rendered in the case of People, et al. v. The Wiersema State Bank, a copy of which you have forwarded to the Board, it appears to be well settled that State banks in Illinois have no authority, except where specifically authorized by State law, to pledge their assets to secure deposits. Furthermore, the Board is of the opinion that the protection afforded by Section 6 of the Laws of the State of Illinois concerning Trust Companies, referred to by you, is not an adequate protection for such trust funds and upon this basis feels that it is not justified in waiving compliance with the condition of membership in question by State member banks in the State of Illinois. In connection with your reference to the protection afforded for trust funds by the Federal Deposit Insurance Corporation, you are advised that Congress has not seen fit to remove the limitations upon national banks imposed by section 11(k) of the Federal Reserve Act merely because a part of such trust funds are insured and, therefore, the Board feels that it may not properly waive the condition of membership referred to in the case of State member banks.

"In the circumstances, it is suggested that you advise the Springfield Marine Bank and other member banks in Illinois which are subject to the condition of membership of the Board's views in the matter as indicated in the Board's letter to you of June 7, 1935.

"A copy of this letter is being forwarded to the Federal Reserve Agent at the Federal Reserve Bank of St. Louis."

Approved.

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

"In reviewing the report of examination of the 'Wilmington Trust Company', Wilmington, Delaware, as of December 12, 1934, it is noted that the bank is carrying 1131 shares of its own stock in a trust account designated as Employees' Reserve Fund. It appears that the stock in question was originally acquired during the years 1930 and 1931 by the trust department as trustee of the Employees' Extra Compensation Fund, the funds for the purchase being made available by an overdraft. It also appears that, subsequently, in compliance with the request of your office that the overdraft be eliminated, the overdraft was charged to the undivided profits account of the bank and the stock transferred to a special fund known as the Employees' Reserve Fund. Under the resolution of the Board of Directors



8/12/35

-9-

"in October, 1932, authorizing the charge to undivided profits and the transfer of the stock to the Employees' Reserve Fund, the bank reserved the right to withdraw from time to time any of the stock, or the proceeds of the sales thereof, and to credit the same to undivided profits. The question was raised in the examination as to whether the shares in question did not represent ownership by the bank of its own stock in violation of the Federal Reserve Act.

"In the brief of correspondence transmitted to the Board with Acting Assistant Federal Reserve Agent Fenner's letter of May 10, 1935, it appears that your office has decided not to interpose further objections to the manner of handling the transaction described above provided the bank does not take any of the stock directly into its own assets and also provided full details regarding the transaction are submitted to and approved by the shareholders of the trust company at their next annual meeting to be held in January 1936.

"On the basis of the information now available to the Board, the exact nature of the relationship of the trust company to the stock involved is not entirely clear. Therefore, the Board is not in a position to determine whether or not the shares of stock involved were acquired and are now held in violation of law, and it does not appear that counsel for your bank has passed upon this question. Accordingly, it will be appreciated if you will consider the matter with your counsel in the light of such additional information as may be deemed necessary and advise the Board of your conclusions on this point. While the amount of stock involved is comparatively small as compared with the total amount of the stock of the trust company, it is felt that if you should find that a violation of law is involved appropriate steps should be taken to eliminate any such violation."

Approved.

Letter dated August 10, 1935, approved by four members of the Board, to Mr. Fletcher, Acting Federal Reserve Agent at the Federal Reserve Bank of Cleveland, reading as follows:

"Reference is made to your letter of August 1, 1935, in which you report, in response to the request contained in the Board's letter of February 26, 1935, on the progress made in the disposal of 10,886, shares of stock in the 'Peoples-Pittsburgh Trust Company', Pittsburgh, Pennsylvania, held by trustees for the benefit of that bank. The Board notes that,

8/12/35

-10-

"In your opinion, it would be impossible for the trustees to dispose at this time of any substantial part of the present holdings of stock and that you recommend that additional time be granted in which to dispose of the stock. In this connection it is assumed that you are maintaining the position expressed in your letter of February 11, 1935, that you will insist upon a complete liquidation of the stock as soon as it is feasible to do so.

"In view of your recommendation and of all the circumstances, and so long as it appears to your satisfaction that sincere efforts are being made to dispose of the stock in question, the Board will not require that requests for extension of time in which to dispose of the stock be submitted to it in the future. It will be appreciated, however, if you will continue to review, at six-month intervals, the progress being made in disposing of the stock and report the results of your reviews to the Board."

Approved.

Letter dated August 10, 1935, approved by four members of the Board, 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 Farmers National Bank of Grayville', Grayville, Illinois, from \$25,000 to \$5,000, pursuant to a plan which provides that the released capital, together with the bank's surplus account, shall be used in eliminating a corresponding amount of substandard assets, all as set forth in your memorandum of August 1, 1935.

"In considering the plan of capital reduction it has been noted that, after completion of the proposed adjustments the bank will still be burdened with a large volume of doubtful and otherwise undesirable assets; and that the active management of the institution is subject to severe criticism by your examiner. It is assumed, however, that these matters are receiving the attention of your office."

Approved.

Letter dated August 9, 1935, approved by four members of the Board, to Mr. W. H. Wilkes, St. Louis, Missouri, reading as follows:

8/12/35

-11-

"This is to acknowledge receipt of your letter of August 1, 1935, addressed to Mr. Wingfield, an Assistant General Counsel of the Federal Reserve Board, with regard to the eligibility of certain reorganized banking institutions located in the State of Illinois for admission to membership in the Federal Reserve System. It appears that you do not desire the Board to take any action in the matter at this time, and your letter is being brought to the attention of the members of the Board for their information."

Approved, together with a letter to Messrs. Stevens and Wood, Federal Reserve Agents at the Federal Reserve Banks of Chicago and St. Louis, respectively, reading as follows:

"There is inclosed for your information a copy of a letter written by Mr. W. H. Wilkes relating to the eligibility of certain reorganized banking institutions located in the State of Illinois for admission to membership in the Federal Reserve System. You will note that the letter does not request the Board to take any action in the matter at this time and the letter has been brought to the attention of the members of the Board merely for their information."

Letter dated August 10, 1935, approved by four members of the Board, to Mr. Sargent, Assistant Federal Reserve Agent at the Federal Reserve Bank of San Francisco, reading as follows:

"Reference is made to Mr. Oliver P. Wheeler's letter of December 1, 1934, to a copy of a letter from Dean Witter and Company enclosed therewith, and to the further communication from Mr. Wheeler under date of April 25, 1935.

"It is the understanding of the Federal Reserve Board that the case presented in the Dean Witter letter is not a hypothetical case, as was at first assumed, but an actual case.

"This case, as presented in the Dean Witter letter, is as follows:

'Assuming a client had both securities and commodities on his margin account prior to October 1, 1934. The debit balance on his security account was \$8,000 and the credit balance on his commodity account was \$2,400. The collateral on his security account was vastly greater in value than the adjusted debit balance, but because the collateral consisted of bonds that are unregistered, the account is re-

8/12/35

-12-

"stricted. The credit balance in the commodity account just covered our usual requirements on the commodities he was carrying. On November 10 at client's request we made his account "an old account" at which time the status was exactly the same as on September 30. Client wants to sell all his commodities and draw down the credit balance from the commodity account.'

"Dean Witter and Company asks whether, in view of ruling No. 8 interpreting Regulation T, it was necessary to include as a part of a designated 'old account' the customer's commodity futures account that existed on October 1, 1934. As you know, ruling No. 8 interpreting Regulation T stated:

'\* \* \* the account to be designated as an "old account" shall include all financial relationships existing between a creditor and a customer at the opening of business on October 1, 1934, except that those relationships which may be recorded separately in other special accounts in conformity with sections 3(b), 3(c), 3(d), 5(b), and 6 need not be included in such old account. \* \* \*'

"It is understood, therefore, that Dean Witter and Company wishes to know whether the future commodity commitments of this customer may be recorded separately in one of these special accounts so as to avoid the necessity for including them in the designated 'old account'.

"Under Regulation T, future commodity commitments may not be excluded from a designated 'old account' by inclusion in any of the special accounts enumerated above. If the account existing on October 1, 1934 is now a designated 'old account', the commodity futures account of the customer existing on that date must be considered a part of such 'old account'.

"If the 'old account' is a restricted account within the meaning of the regulation, no net withdrawal of cash from the account is permitted.

"It is understood, however, from Dean Witter and Company's inquiry, that all or some of the securities in the account are unregistered non-exempted securities, and in view of this fact it may be pointed out that under ruling No. 33 interpreting Regulation T and under section 4(d) of the regulation, in view of the definition of the term 'net withdrawal', Dean Witter and Company may permit the withdrawal of all or any part of such unregistered non-exempted securities from this 'old account', even though such account be a restricted account.

"It is hoped that the foregoing will suffice to answer the questions of Dean Witter and Company insofar as they relate

8/12/35

-13-

"to the disposition of the particular case presented. There are a number of other questions in the Dean Witter letter, however, the answers to which are not necessarily involved in the determination of this case but which have the evident purpose of ascertaining by what method, if any, in view of the provisions of the Securities Exchange Act of 1934, a creditor may handle a customer's business in commodity futures without having to observe the restrictions that are imposed on such business if it be handled in the customer's 'combined account'. This is a matter which has been brought to the Board's attention by other brokers, particularly in New York and Chicago, and one that may involve consideration of possible amendments to Regulation T, either to clarify or to alter those provisions of the regulation which bear on the subject. The matter is accordingly receiving comprehensive consideration by the Board, with a view to taking whatever action, either by way of ruling or by way of amendment, may prove to be necessary or desirable, and you will be promptly advised of whatever action may be taken."

Approved.

Letter to Mr. Paul P. Cret, Philadelphia, Pennsylvania, Architect for the Board's new building, reading as follows:

"In Mr. Livingston's memorandum of the discussions which took place with Dr. Miller and myself following the meeting of the Board on August 6, 1935, Mr. Livingston referred, among other things, to the fact that the view was expressed that under the terms of the contract with the architect an increase in the basic cube automatically results in a proportionate increase in the maximum fees specifically stated in the contract. This is not only in accord with the views of Dr. Miller and myself, but also of the Board. In other words, the maximum amounts to be paid the architect as specified in paragraphs (a), (b), and (c) of article 5 of the agreement are calculated on a basic cube of 3,220,000 feet, and it is expressly provided in paragraph (d) of article 5 that 'should the basic cube of 3,220,000 cubic feet be increased in the finished building the maximum amounts specified above will be increased proportionately.'

"I am authorized by the Board to advise you accordingly."

Approved.

8/12/35

-14-

Letter to Mr. C. B. Eilenberger, Third Assistant Postmaster General, reading as follows:

"This refers to your letter of July 10, 1935 and to a letter from the Acting Third Assistant Postmaster General of July 24 with reference to affording the maximum protection available for coin and currency shipments valued at \$250,000 or more, made from Washington to Federal Reserve banks and branches, and to our acknowledgement thereof dated July 30.

"It is noted from your letter that the Department is contemplating the inauguration of an arrangement whereby the postmaster at Washington, or his authorized representative, will inform the Superintendent of the Third Division, Railway Mail Service, at Washington, or his authorized representative, as to mailings of Federal Reserve notes valued at \$250,000 or more, and that the Superintendent of the Third Division, Railway Mail Service, will when considered advisable cause such telegraphic advance notice to be given, in a confidential manner, of these particular mailings, as will result in the shipments being accorded the maximum protection available en route and between the railway stations and the post offices after the shipments reach their destinations. It is noted also that the postmaster at Washington, D. C., is now furnished information that enables him to determine the value of any particular shipment, and that it would, therefore, be a simple matter for him to furnish such information to the Superintendent of the Third Division, Railway Mail Service.

"You state in your letter that it is presumed the proposed arrangement will be favored by the Board but that you will give careful consideration to any comments or suggestions regarding the matter the Board may wish to submit. The Board feels that the extent to which information regarding valuable mail shipments furnished to the Post Office Department is used by it for the protection of such shipments while in its possession is a matter for the determination by the Post Office Department. It, therefore, has no suggestions to offer in connection with the proposed procedure, but it is assumed that utmost care will be exercised to see that advice of such shipments is furnished only to such person or persons as may be necessary to insure the proper handling and protection of the shipments while they are in the possession of the Department."

Approved.

8/12/35

-15-

There were then presented the following applications for changes

in stock of Federal reserve banks:

<u>Applications for ADDITIONAL Stock:</u>	<u>Shares</u>	
<u>District No. 6.</u>		
Dothan Bank & Trust Company, Dothan, Alabama.	12	
The Citizens Bank, Oneonta, Alabama.	1	
Union Trust Company, St. Petersburg, Florida.	3	
The Truckers Exchange Bank, Crystal Springs, Mississippi.	2	
The Florida National Bank and Trust Company at Miami, Miami, Florida.	30	
City National Bank of Baton Rouge, Baton Rouge, Louisiana.	6	
The First National Bank of Jefferson Parish at Gretna, Gretna, Louisiana.	1	
The Hibernia National Bank in New Orleans, New Orleans, Louisiana.	8	
The National Bank of Commerce in New Orleans, New Orleans, Louisiana.	12	
The First National Bank of Kingsport, Kingsport, Tennessee.	<u>9</u>	84
<u>District No. 7.</u>		
Fayette Bank and Trust Company, Connersville, Indiana.	43	
The National Bank of Wyandotte, Wyandotte, Michigan.	<u>1</u>	44
<u>District No. 8.</u>		
The First National Bank of Conway, Conway, Arkansas.	1	
The First National Bank of Fayetteville, Fayetteville, Arkansas.	15	
Phillips National Bank of Helena, Helena, Arkansas.	30	
The First National Bank of Hope, Hope, Arkansas.	1	
The Commercial National Bank of Little Rock, Little Rock, Arkansas.	54	
The Planters National Bank of Mena, Mena, Arkansas.	2	
The First National Bank in Columbia, Columbia, Illinois.	3	

8/12/55

-16-

<u>Applications for ADDITIONAL Stock: (Cont'd)</u>	<u>Shares</u>	
<u>District No. 8. (cont'd)</u>		
The Fairfield National Bank, Fairfield, Illinois.	4	
First National Bank of Marissa, Marissa, Illinois.	1	
The National Stock Yards National Bank of National City, National Stock Yards, Illinois.	60	
The Salem National Bank, Salem, Illinois.	15	
The First National Bank of Smithton, Smithton, Illinois.	2	
Old National Bank in Evansville, Evansville, Indiana.	10	
Citizens National Bank of Linton, Linton, Indiana.	1	
The Taylor National Bank of Campbellville, Campbellville, Kentucky.	6	
The Lincoln National Bank of Hodgenville, Hodgenville, Kentucky.	3	
Clayton National Bank, Clayton, Missouri.	15	
The First National Bank of Lexington, Lexington, Tennessee.	3	
The First State Bank of Chester, Chester, Illinois.	6	
Hoyleton State and Savings Bank, Hoyleton, Illinois.	1	
State Bank of Steeleville, Steeleville, Illinois.	3	
Union State Bank of Clinton, Clinton, Missouri.	3	
Bank of Memphis, Memphis, Missouri.	3	
Sedalia Bank and Trust Company, Sedalia, Missouri.	3	
Cass Bank & Trust Company, St. Louis, Missouri.	12	
The Plaza Bank of St. Louis, St. Louis, Missouri.	6	263
<u>District No. 9.</u>		
The First National Bank of Centerville, Centerville, South Dakota.	8	
The First National Bank of Baldwin, Baldwin, Wisconsin.	1	9
<u>District No. 11.</u>		
The First National Bank of Bellville, Bellville, Texas.	3	
The Denton County National Bank of Denton, Denton, Texas.	3	



8/12/35

-17-

<u>Applications for ADDITIONAL Stock: (Cont'd)</u>		<u>Shares</u>	
<u>District No. 11. (cont'd)</u>			
San Jacinto National Bank of Houston, Houston, Texas.	2		
The Rembert National Bank of Longview, Longview, Texas.	15		
The First National Bank of O'Donnell, O'Donnell, Texas.	1		
The First National Bank of Olney, Olney, Texas.	30		
First National Bank in Orange, Orange, Texas.	30		
Huntsville Bank and Trust Company, Huntsville, Texas.	3	87	
	<u>Total</u>		<u>487</u>
 <u>Applications for SURRENDER of Stock:</u>			
<u>District No. 1.</u>			
The Souhegan National Bank of Milford, Milford, New Hampshire.	54	54	
 <u>District No. 2.</u>			
The First National Bank and Trust Company of Walden, Walden, New York.	18		
The National Union Bank of Kinderhook, Kinderhook, New York.	<u>30</u>	48	
 <u>District No. 3.</u>			
South Philadelphia National Bank of Philadelphia, Philadelphia, Pennsylvania.	75	75	
 <u>District No. 8.</u>			
The First National Bank of Fordyce, Fordyce, Arkansas.	21		
The First National Bank of Monett, Monett, Missouri.	3		
North St. Louis Trust Company, St. Louis, Missouri.	90		
The St. Clair National Bank of Belleville, Belleville, Illinois.	<u>15</u>	129	
 <u>District No. 10.</u>			
The First National Bank of Wamego, Wamego, Kansas.	3	3	
	<u>Total</u>		<u>309</u>

Approved.

8/12/35

Thereupon the meeting adjourned.

Robert Howell  
Secretary.

Approved:

W. S. ...  
Governor.