

DECLASSIFIED  
Authority NND 30026

(C O P Y)

TELEGRAM

470.3 (6)

3/1/33

184fy 35

Atlanta 427p March 1

Board

Washn

We are informed by Superintendent of Banks of Alabama that Governor Miller has declared a ten day holiday in Alabama in which time it is anticipated that the legislature will pass the necessary enabling act.

Newton

535p

DECLASSIFIED  
Authority NND 30026

*Albertson*  
*HV*

FEDERAL RESERVE BANK  
OF ATLANTA

DIVISION RECEIVED  
FEB 11 1933

OFFICE OF  
SECRETARY OF THE BOARD  
ASSISTANT FEDERAL RESERVE AGENT

February 8, 1933.

470.3 (6)

Federal Reserve Board,  
Washington, D. C.

Dear Sirs:

Enclosed you will find an Associated  
Press clipping which appeared in the Atlanta Journal  
of Saturday, February 4th.

Very truly yours,

*Ward Albertson*

Ward Albertson,  
Assistant Federal Reserve Agent.

RECEIVED  
FEB 10 1933  
WASHINGTON

enclosure

This article is protected by copyright and has been removed.

The citation for the original is:

“Louisiana Honors Ideals of Wilson with Legal Holiday.” Atlanta Journal, February 4, 1933.

This article is protected by copyright and has been removed.

The citation for the original is:

Associated Press. "R.F.C. Advances \$20,000,000 to Hibernia Bank." [Baltimore Sun], February 6, 1933.

DECLASSIFIED  
Authority NND 30026

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

470.3 (6)

40fy 25

RECEIVED AT WASHINGTON, D. C.

Atlanta 1124a Feb 4

Board

Washn

Marcus Walker Managing Director Neworleans branch advises governor of Louisiana has declared february fourth a holiday, therefore neworleans banks are not transacting any business today

Newton

1230p

**DECLASSIFIED**  
 Authority NND 30026

F. DISTRICT NO. 6

**BANKS WHICH DURING 1932, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS**

470.3(6)

NAME AND LOCATION OF BANK	:Obtained :depositors' *waiver :agreements : :Effective : date	: Demand : deposit : withdrawals : restricted : beyond terms : * : Period during : which effective	: Time deposit : withdrawals : restricted : beyond terms : of by-laws*
---------------------------	--	---	--

FLORIDA:

Merchants & Planter Bank,	Sneads	12-20-32	ninety days
First State Bank,	McIntosh	11-19-32	" "
Punta Gorda State Bank,	Punta Gorda	1-21-32	" "
Bank of LaBelle,	LaBelle	1-22-32	" "
The Exchange Bank,	Tallahassee	8-26-32	" "
Fort Pierce Bank,	Fort Pierce	6-18-32	" "
Lee County Bank and Trust Company,	Fort Myers	1-20-32	" "
		and extended 4-16-32	for ninety days
Bank of Everglades	Everglades	1-20-32	ninety days

(All of the above banks availed themselves of provisions of Chapter 14647 - (No. 9) ACTS OF 1931, copy of which is attached.)

(\* ) Either with or without signed agreements of depositors.

(B-868)

DECLASSIFIED  
Authority **NND 30026**

**CHAPTER 14647 - (No. 9) ACTS OF 1931**

**(HOUSE BILL No. 403)**

**AN ACT for the Protection of State Banks Against Excessive Withdrawals or Runs and to Provide for Limits of Withdrawals on Said Banks to Twenty Per Cent (20%) of Its Deposits; Provide the Procedure to Be Followed by Such Bank or Banks in Case It Senses a Run Either by Withdrawal of Deposits by Its Depositors En Masse or Through the Clearing House or Houses or other Collecting Agents; to Correlate Such Procedure With Rules and Regulations of the Comptroller.**

Whereas, a very large number of banks in Florida have closed within the past year, primarily, on account of excited runs by depositors—and too, by reason of withdrawals through the clearing houses, and,

Whereas, such runs have in many instances resulted in the closing of many solvent banking institutions in this State, and,

Whereas, under the laws of the State of Florida such banks are permitted to place as much as eighty per cent (80%) of their deposits in time loans, carrying only twenty per cent (20%) as a working reserve, and,

Whereas, such twenty per cent (20%) reserve appears to be adequate and sufficient for the usual demands of the banking business, but would, of course, be insufficient to pay off all or a large number of depositors in the event of a run, and,

Whereas, it would seem that if a bank is allowed to place a certain portion of its deposits on a time basis with a cash reserve of twenty per cent (20%) to meet all normal demands, the bank should have some protection against an abnormal demand, as a run, which usually destroys the bank and those in charge of it no matter how good that bank may be, and,

Whereas, it has always been the policy of the State of Florida to seek and get protection for the public and for itself in its relation to banks. It would therefor appear that all solvent banks should have some protection against undue excitement of its depositors, and,

Whereas, it is admitted that the public has a right to assume that any open bank is a solvent bank and the banking department should have legal authority to see to it that open banks are solvent—solvent in the sense that good valuation is supporting the accounts, and,

Whereas, banks should be allowed, or caused, to close only

**DECLASSIFIED**  
 Authority NND 30026

F. DISTRICT NO. 6

**BANKS WHICH DURING 1932, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS**

470.3(9)

Name and Location of Bank	: Obtained	: Demand	: Time deposit
	: depositors'	: deposit	: withdrawals
	: waiver	: withdrawals	: restricted
	: agreements	: restricted	: beyond terms
	:	:	: of by-laws*
	: Effective	: Period during	
	: date	: which effective	

<u>LOUISIANA:</u>	
Citizens National Bank	Hammond, Louisiana.
Kentwood Bank	Kentwood, Louisiana.
Amite Bank & Trust Company	Amite, Louisiana.
Independence Bank & Trust Company	Independence, Louisiana.
Hammond State Bank & Trust Company	Hammond, Louisiana.
Merchants & Farmers Bank & Trust Company	Ponchatoula, Louisiana.
Ponchatoula Bank & Trust Company	Ponchatoula, Louisiana.
Livingston Bank	Denham Springs, Louisiana
and branch at	Albany, Louisiana.

The banks never formally removed the restriction on demand deposit withdrawals but it was operative for less than four weeks. The restriction on time deposit withdrawals has not been removed. To restrict time deposit withdrawals the banks availed themselves of the following rule printed in the pass books "Deposits evidenced hereby are made subject to the option of the bank to require sixty days' written notice of the intention of the depositor to withdraw the same or any part thereof."

(\* ) Either with or without signed agreements of depositors.

(B-868)



This article is protected by copyright and has been removed.

The citation for the original is:

“Acts in Behalf Biloxi Banks.” [Publication and date unknown]

DECLASSIFIED

Authority NND 30026

TELEGRAM

470,3(6)

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

67 F Y

RECEIVED AT WASHINGTON, D. C.

Atlanta Ga Nov 15 1152am

Smead

Washington

Reference your trans telegram 1524: Our neworleans branch advises that it continued to handle items drawn against banks on a so-called moratorium basis in regular way stop When items were returned our branch forwarded them to the banks from which they had been received with reason given for nonpayment stop State banking department in louisiana informs our neworleans branch that the nine banks are still availing themselves of the provisions of section sixteen of act 179 of 1902.

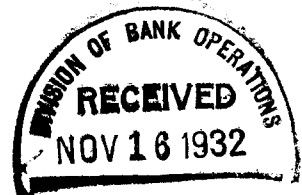
Newton

108p

DECLASSIFIED  
Authority NND 30026

FEDERAL RESERVE BANK  
OF ATLANTA

November 14, 1932.



470.3(6)

OFFICE OF  
CHAIRMAN OF THE BOARD.  
FEDERAL RESERVE AGENT.

Federal Reserve Board,  
Washington, D. C.

Attention: Mr. Smead, Chief,  
Division of Bank Operations.

Dear Sirs:

Reference is made to your TRANS telegram No. 1524 under date of November 3rd and to my letter of November 10th, reporting banks in this district which have been under a so-called moratorium basis this year:

I am in receipt of a letter from the President of the First National Bank, Biloxi, Mississippi, as follows:

"The Peoples Bank of Biloxi and this bank, by agreement, announced about three days after the closing of the First National Bank of Gulfport that payments in cash would be restricted to \$25. per day to any one customer except where funds were required for pay rolls. Transfers by check, as far as we were concerned, were not restricted. The application of the arrangement regarding cash withdrawals was applied in a rather flexible way and as a general rule was not in operation for more than thirty days. There was no definite date on which we ceased to apply this rule but our idea was to gradually lift it without calling the attention of our depositors to the fact that this has been done so we are unable to say just what date it was discontinued for, as you will note, in some cases it was not applied and no definite date was fixed for its ending."

Very truly yours,

Federal Reserve Agent.



**DECLASSIFIED**  
 Authority NND 30026

**RECEIVED**  
 NOV 11 1932  
 DIVISION OF BANK OPERATIONS

470.3(6)

**FEDERAL RESERVE BANK  
 OF ATLANTA**

WASHINGTON  
 NOV 11 1932  
 RECEIVED

November 10, 1932.

OFFICE OF  
 CHAIRMAN OF THE BOARD.  
 FEDERAL RESERVE AGENT.

The Federal Reserve Board,  
 Washington, D. C.

Attention: Mr. Smead, Chief,  
 Division of Bank Operations.

Dear Sirs:

Reference is made to your trans telegram No. 1524, under date of the third instant.

The Superintendent of Banks for Alabama, and the Managing Director of our Birmingham Branch, advise that no state or national bank in Alabama has been under a so-called moratorium basis at any time during this year.

The Florida Legislature of 1931 enacted into a law a statute under Chapter 14647, whereby state banks in the event it senses a run, can apply to the Comptroller of the State of Florida for permission to limit their withdrawals to 20% of each account. You will find herewith enclosed a copy of the Act (House Bill No. 403).

The Comptroller of Florida advises that seven of the State banks in Florida availed themselves of this provision of the law during 1932, as follows:

Punta Gorda State Bank, Punta Gorda, Florida:

- (1) Limitation of withdrawals for a ninety day period applied on January 21, 1932.
- (2) To protect cash reserves - heavy withdrawals.
- (3) Continued to receive deposits.
- (4) Non-Par.

4-19-32  
 5-23-32

Bank of La Belle, La Belle, Florida:

- (1) Invoked provision of 20% withdrawals for ninety days on January 22, 1932.
- (2) To protect cash reserves - heavy withdrawals.
- (3) Continued to receive deposits.
- (4) Non-Par.

4-19-32  
 6-22-32

Lee County Bank & Trust Company, Fort Myers, Florida:

- (1) Invoked provision of 20% withdrawals for ninety day period on January 20, 1932.
- (2) To protect cash reserves - heavy withdrawals.
- (3) Continued to receive deposits.
- (4) Non-Par.

7-18-32  
 8-27-32

DECLASSIFIED

Authority NND 30026

FEDERAL RESERVE BANK OF ATLANTA

-2-

Fort Pierce Bank, Fort Pierce, Florida:

- (1) Invoked provision of 20% withdrawal for ninety day period on June 18, 1932.
- (2) Deferment of Deposits.
- (3) Continued to receive deposits.
- (4) Non-Par.

*Susp: 9-9-32*Exchange Bank, Tallahassee, Florida:

- (1) Invoked provision of 20% withdrawals for ninety day period on August 26, 1932.
- (2) Deferment of deposits.
- (3) Continued to receive deposits.
- (4) Handled in usual manner for two days, then removed from par list.

*Susp 11-25-32*Bank of Everglades, Everglades, Florida:

- (1) Invoked provision of 20% withdrawals for ninety day period on January 20, 1932.
- (2) Deferment of deposits.
- (3) Continued to receive deposits.
- (4) Non-Par.

Farmers Bank, Vero Beach, Florida:

- (1) Invoked provision of 20% withdrawals for ninety day period on October 31, 1932.
- (2) Deferment of deposits.
- (3) Continued to receive deposits.
- (4) Non-Par.

*2-5-32  
3-1-32*

The Superintendent of Banks for Georgia advises us that the laws of Georgia do not permit a state bank to go on a so-called moratorium basis; and the Chief National Bank Examiner of this district reports that he has no record of any national bank in Georgia restricting payments to depositors.

( The Commissioner of State Banks for Louisiana advises us that on May 9, 1932, nine banks in the strawberry section of that state availed themselves of the provision of Section 16 paragraph 1 of Act 179 of the General Assembly of Louisiana for 1902, restricting the payment of deposits, as per copy of an agreement herewith enclosed. / All of the banks entering into this agreement, except the Citizens National Bank of Hammond, Louisiana, are non-par remitting banks. We have requested the Manager of our New Orleans Branch to ascertain the date these banks ceased to avail themselves of the provision of Section 16 of Act 179 of the General Assembly of Louisiana for 1902, and also to advise us the conditions under which the New Orleans Branch continued to handle items on the Citizens National Bank of Hammond, Louisiana. As soon as this information is received, we will advise you by wire.

The Chief National Bank Examiner advises us with reference to national banks in Mississippi, as follows:

-continued-

DECLASSIFIED

Authority NND 30026

FEDERAL RESERVE BANK OF ATLANTA

-3-

First National Bank, Waynesboro, Mississippi:

- (1) Local authorities placed a moratorium on withdrawals.
- (2) Heavy withdrawals - payment to depositors was restricted to \$25 00 per day.
- (3) Continued to receive deposits.
- (4) Will wire this information as soon as obtained from our New Orleans Branch.

Bank closed July 5, 1932. ✓

First National Bank, Biloxi, Mississippi:

- (1) Moratorium placed at the request of State Superintendent of Banks - payment to depositors restricted to \$25 00 per day.
- (2) - Action taken on account of closing of the bank at Gulfport. Local bankers were subjected to rumors as to solvency and the action taken was for precautionary reasons rather than fear banks could not meet demands.
- (3) Continued to receive deposits.
- (4) Will wire this information as soon as obtained from our New Orleans Branch.

The Superintendent of Banks for Mississippi advises us with reference to the Peoples Bank, of Biloxi, Mississippi, as follows:

- (1) Holiday decision of local authorities and instructions of Superintendent of Banks - withdrawal of demand deposits restricted to \$15 00 per day.
- (2) Unrest among depositors along the Gulf Coast on account of failure of First National Bank, Gulfport, Mississippi.
- (3) Continued to receive deposits.
- (4) Non-Par.

The Managing Director of our Nashville Branch advises us with reference to the First National Bank, of Bristol, Tennessee, as follows:

- (1) Local authorities placed a moratorium on withdrawals for a specified length of time.
- (2) Readjustment of capital structure.
- (3) No deposits were deferred, the moratorium only affecting withdrawals for a certain amount of the deposits.
- (4) All checks received on this bank were handled in the usual manner and they were returned with notation "that a moratorium had been declared and that checks would be paid at the termination of same."

Very truly yours,



Federal Reserve Agent.

DECLASSIFIED  
Authority NND 30026

FEDERAL RESERVE BANK OF ATLANTA

DISTRICT NO. 6 - ATLANTA

470.3(6)

BANKS CLOSED DURING 1932 UNDER A SPECIAL HOLIDAY DECLARED BY CIVIL AUTHORITIES

Name and location of bank	Date	Date bank	Duration of holiday		
	bank	resumed	Number	:	:
	closed	operations	of days	From	To

N O N E

DECLASSIFIED  
 Authority NND 30026

		Capital	Deposits	Pop.	Dist #6 470.3 (6) County
<u>Florida</u>					
Exchange Bank, Tallahassee	St. Mem	50	325	10,700	Leon
Bank of Everglades, Everglades	Non	75	201	172	Colliers
			1984		
<u>Mississippi</u>					
First National Bank, Biloxi	Non	125	1,083	14,850	Harrison
Peoples Bank, Biloxi	Non	97	921	14,850	"
First Nat. Bk., Waynesboro		25	455	1,120	Wayne
			2459		
<u>Tennessee</u>					
First National Bank, Bristol		200	1,750	12,005	Sullivan
<u>Louisiana</u>					
Kentwood Bank, Kentwood	Non	50	121	1,726	Tangipahoa
Anite Bk. & Trust Co., Anite	Non	100	701	2,536	"
Independence Bk. & Tr. Co., Independence	Non	50	283	1,700	"
Hammoud St. Bk. & Tr. Co., Hammond	Non	75	862	6,072	"
Citizens National Bk., Hammond		100	318	6,072	"
Merchants & Farmers Bk. & Tr. Co., Pouchatoula, La.	Non	75	421	2,898	"
Pouchatoula Bk. & Tr. Co., Pouchatoula	Non	50	200	2,898	"
Livingston Bank, Denham Springs	Non	66	382	1,002	Livingston
Albany Branch Livingston Bk., Albany	Non				(Branch of Denham Springs)
			3288		
		1,538	9,026		
			9481		



DECLASSIFIED  
 Authority NND 30026

Florida

Dist #6  
 470.3 (6)

	<u>Cap.</u>	<u>Dep.</u>	<u>Pop.</u>	<u>County</u>
Punta Gorda St. Bk. Punta Gorda Non	75	122	1,833	Charlotte
Bank of La Belle, La Belle Non	25	101	397	Hendry
Lee County Bk. & Tr. Co. Fort Myers Non	100	271	9,082	Lee
Fort Pierce Bk. Fort Pierce Non	100	525	4,803	St. Lucie
Farmers Bk. Vero Beach Non	75	439	2,268	Indian River

DECLASSIFIED  
Authority NND 30026

470,3(6)



FEDERAL RESERVE BANK  
OF ATLANTA

OFFICE OF  
CHAIRMAN OF THE BOARD,  
FEDERAL RESERVE AGENT.

November 3, 1932.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Receipt is acknowledged of your TRANS  
1524 telegram.

There are very few instances known to  
us where banks in this district have been on a so-called  
moratorium basis this year.

In order that our list may be complete,  
upon receipt of your telegram today we requested certain  
information from the Superintendents of Banks for the  
several states in this district, from our branch managers  
and from the Chief National Bank Examiner for this dis-  
trict. As soon as the information is obtained we will  
transmit it to you via air mail.

Very truly yours,

Federal Reserve Agent.

DECLASSIFIED

Authority NND 30026

- 2 -

470.3 (6)

5/9/32

The undersigned banks have full confidence in the resources and continued progress of the district. The application of the above rules should set the minds of ~~all~~ our people at rest as to the welfare and safety of the banks of the district, and such funds as have been withdrawn from the banks of this section by depositors who were alarmed over conditions may now be replaced in the banks to aid in the continued progress and upbuilding of this section.

Dated this 9th day of May, 1932.

✓ KENTWOOD BANK, Kentwood, Louisiana.  
 AMITE BANK & TRUST CO., Amite, La.  
 INDEPENDENCE BANK & TRUST CO., Independence, La. —  
 HAMMOND STATE BANK & TRUST CO., Hammond, La.  
 CITIZENS NATIONAL BANK, Hammond, La. —  
 MERCHANTS & FARMERS BANK & TRUST CO., Ponchatoula, La.  
 PONCHATOULA BANK & TRUST CO., Ponchatoula, La.  
 LIVINGSTON BANK, Denham Springs, La.  
*BR* ALBANY BRANCH LIVINGSTON BANK, Albany, La.