

DECLASSIFIED -
Authority UND 30026

**FEDERAL RESERVE BANK
OF DALLAS**

RECEIVED
MAR 12

March 10, 1933

4723

Federal Reserve Board
Washington, D. C.

Attention: Mr. E. L. Smead, Chief
Division of Bank Opera-
tions

Gentlemen:

Please refer to our letter of February 7 regarding your letter of January 19, B-869a. I am enclosing a list of banks from which we obtained additional information regarding restrictions on withdrawals of deposits for 1932 and January, 1933. I am also enclosing a report for February, 1933.

Yours very truly,

W. J. Grant
Assistant Federal Reserve Agent

RECEIVED
FEDERAL RESERVE BOARD
WASHINGTON
MAR 10 1933 MM
Enclosures

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REC'D. FEB 28 1933

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

470,3(11)

23gb 20

RECEIVED AT WASHINGTON, D. C.

Dallas Feb 28 911am

Board

Washn

Referring telegram February 14 re closing human halecenter texas
am now informed that institution resumed business February 23

Waleh

1023am

Dist. No.
Class
Date
Capital
Deposits
Popul'n
County



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TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

470.3(11)

375gy 50

RECEIVED AT WASHINGTON, D. C.

Dallas Feb 14 444pm

Board

Washington

1st Nat. Bank ✓

Referring your B-869-A January 19 Am informed that human Hale-Center
Texas head office territory closed on February 9 under special holiday
declared by Civil Authorities have no information as to probable date
bank will resume operations but will keep you informed of developments.

Walsh

704pm

✓

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4703(1)

F. R. Board
 Form St. 6386c
 Nov. 1929

**ORGANIZATIONS, LIQUIDATIONS, CONVERSIONS,
 AND OTHER CHANGES IN STATUS OF MEMBER AND NONMEMBER BANKS**

(Except bank suspensions, consolidations, mergers or absorptions;
 affiliations with banking chains or groups; and establishment or
 discontinuance of branches)

Effective date of change Jan. 5, 1933 Federal Reserve District Eleventh

Character of change Resumption following suspension *Spec. Handling* ✓

Name and location of bank before change	<u>American National Bank McLean, Texas</u>	Member or nonmember <u>Member</u>
---	---	-----------------------------------

Name and location of bank after change	<u>American National Bank McLean, Texas</u>	Member or nonmember <u>Member</u>
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Capital \$ <u>25,000</u>	Surplus and profits \$ <u>139,000</u>	Loans and investments \$ <u>107,000</u>
--------------------------	---------------------------------------	---

Condition figures are as of January 5, 1933

Is the above change in status final or merely preliminary to a further change, and if preliminary, what further change is contemplated? Final

In the case of conversions and successions, were financial difficulties responsible to any extent for the change in status? _____

Remarks:
 (In the case of suspended banks reopened for business, give the change in capital account, the assessment paid by stockholders, etc.)

There was no change in capital structure. No assessment was made on stockholders but there were some voluntary payments. Written agreement with depositors restricting withdrawals.

✓

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 Authority UND 30026

470.3(11)

F. R. Board
 Form St. 6386b
 November 1929

BANK SUSPENSIONS

Date of suspension Jan. 3, 1933 Federal Reserve District Eleventh

Name and location of bank American National Bank, McLean, Texas Member or nonmember Member

Capital \$ 25,000 Loans and investments \$ 139,000 Gross deposits \$ 107,000

Borrowings from Federal Reserve Bank \$ 29,730* From other banks \$ None

Condition figures are as of January 5, 1933

Closing directed by Board of Directors

Causes of suspension: Check in the appropriate column those of the following which apply, either as primary or contributing causes, amplifying the indicated causes with such supplementary data as may be available.

	Primary cause	Contributing cause
1. Slow, doubtful or worthless paper _____	x	
2. Failure of banking correspondent (Name of failed correspondent) _____		
3. Failure of other large debtor (Name of failed debtor and connection with bank, if any) _____		
4. Defalcation _____		
5. Heavy withdrawals _____		
6. Other causes (specify) _____		

REMARKS:

*At time of closing



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DIVISION OF BANK OPERATIONS
RECEIVED
FEB 10 1933

FEDERAL RESERVE BANK
OF DALLAS

February 7, 1933

470.3(11)

C. C. WALSH
CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

H

Federal Reserve Board
Washington, D. C.

Attention Mr. E. L. Sneed, Chief,
Division of Bank Operations

Gentlemen:

Referring to your letter of January 19, 1933, B-869a, and supplementing my letter of January 23, 1933, I am enclosing two lists showing the names and locations of the banks in this district which, according to the information that we have been able to obtain, imposed restrictions upon withdrawals of deposits during the year 1932, and during the month of January, 1933, respectively.

Due to the fact that no systematic record of these restrictions has heretofore been kept, either by ourselves or the chief national bank examiner, our records in most cases do not show the exact periods during which these restrictions were operative, and some cases do not show whether the banks obtained waiver agreements from their depositors.

We are endeavoring to obtain these additional details by correspondence with the banks themselves, and if successful in these efforts, will forward the information to you promptly upon receipt.

Yours very truly,

C. C. Walsh

Federal Reserve Agent

RECEIVED
Enclosures
FEDERAL RESERVE BOARD
WASHINGTON
FEB 10 1933

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FEDERAL RESERVE DISTRICT Eleventh

BANKS WHICH DURING JANUARY, 1933, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS

	Obtained depositors' waiver agreements	Effective date	Demand deposits withdrawals restricted *	Time deposit withdrawals restricted beyond terms of by-laws*	Period during which Effective
American National Bank McLean, Texas		1- 5-33	1- 5-33	to	12-31-33
The Bloomburg State Bank Bloomburg, Texas		Not known	1-20-33	to	
McAllen State Bank McAllen, Texas		Not known	1-18-33	to	**
Clyde National Bank Clyde, Texas		No	1- 3-33	to	

**No date set.

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TELEGRAM

FEDERAL RESERVE SYSTEM
(LEASED WIRE SERVICE)

470,3(4)

RECEIVED AT WASHINGTON, D. C.

204 gb

Dallas Jan 27

Board

Washn

We are advised that citizens bank unincorporated venus
texas closed temporarily on twenty sixth amendeavoring
obtain information as to period of suspension

?

Walsh

204p

Special Holiday

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FEDERAL RESERVE DISTRICT Eleventh

SUPPLEMENT TO LIST OF BANKS WHICH DURING 1932 AND JANUARY, 1933, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSIT WITHDRAWALS

	Obtained depositors' waiver agreements Effective date	Demand deposits withdrawals restricted * Period during which effective	Time deposit withdrawals restricted be- yond terms of by-laws*
Citizens National Bank Brownwood, Texas		Further information not available	
First State Bank Rochester, Texas		Further information not available	
First State Bank Vernon, Texas	No	6- 4-32	to Indeterminate
San Angelo National Bank San Angelo, Texas	1- 4-32	1- 4-32	to 10- 1-32
First National Bank in Stamford, Texas	2-17-32	2-17-32	to 11- 1-33
First National Bank Lockney, Texas	11-29-32	11-29-32	to 12- 1-33
First National Bank Harlingen, Texas	No	5- 8-32	to #
Clyde National Bank Clyde, Texas	1- 2-32	1- 2-32	to 12-31-32
Woodson State Bank Woodson, Texas	No	1- 8-32	to Indeterminate

RESTRICTIONS DURING JANUARY, 1933

Clyde National Bank Clyde, Texas	1- 3-32	1- 3-32	to 2-15-34
The Bloomburg State Bank Bloomburg, Texas	1-12-33	1-12-33	to 1-15-34
McAllen State Bank McAllen, Texas	No	1-18-33	to 2-21-33

#Restrictions maintained only a short time.

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FEDERAL RESERVE DISTRICT Eleventh

470.3(11):

BANKS WHICH DURING FEBRUARY, 1933, WITHOUT ACTUALLY CLOSING, OBTAINED DEPOSITORS' WAIVER AGREEMENTS, OR WHICH RESTRICTED DEPOSITS WITHDRAWALS

	Obtained depositors' waiver agreements	Demand deposits withdrawals restricted *	Period during which effective	Time deposit withdrawals restricted be- yond terms of by-laws*
	Effective date			
First National Bank Hale Center, Texas	2-23-33	2-23-33	to	12-31-33
First National Bank Meadow, Texas	2-23-33	2-23-33	to	3- 1-34

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(C O P Y)

FEDERAL RESERVE BANK OF DALLAS

January 23, 1933

4703 (17)

Federal Reserve Board
 Washington, D. C.

Attention Mr. E. L. Smead, Chief,
Division of Bank Operations

Gentlemen:

Reference is made to your letter of January 19, 1933, B-869-a. The statement of bank suspensions and reopenings during 1932, enclosed with your letter, has been checked against our records and found in agreement therewith.

It is noted that you desire advice as to whether any banks in our district closed during the calendar year 1932 under special holidays declared by civil authorities. According to our records, only three such closings occurred in our district, as follows:

Name and location of bank:	Date bank closed:	Date bank resumed operations:	Duration of holiday		
			Number of days:	From	To
✓ First National Bank, Lockney, Texas	11-29-32	12-4-32	5	11-29-32	12-3-32
American Nat'l, McLean, Texas	12-22-32	1-5-33	12	12-22-32	1-2-33
Clyde National, Clyde, Texas	12-31-32	1-3-33	1	12-31-32	12-31-32

It is also noted that you desire a list of all banks which, during 1932, without actually closing, (1) obtained agreements from depositors to waive or surrender a portion of their deposits, or, (2) with or without signed agreements of depositors, restricted demand deposit withdrawals in any way or time deposit withdrawals beyond the terms of their bylaws. While it is, as you say, difficult to obtain complete data with regard to such banks, we are preparing to furnish you as complete a list as can be obtained from our records, and will forward it to you as early as practicable, which should be within the next few days.

As requested, we will in the future wire you advice of all banks reported closed under special holidays declared by civil authorities, including the date of closing and the dates of the beginning and ending of the holiday. Wire advices will also be sent you covering any reported extensions of the periods of such holidays.

As instructed, we will furnish you with monthly reports hereafter covering banks which obtain depositors' waiver agreements, or which otherwise place restrictions upon demand or time deposit withdrawals.

Yours Very truly,

(SIGNED) C. C. Walsh
 Federal Reserve Agent

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TELEGRAM

470.3(11)

Dallas Jan 6

Smead

Washn
?

Your wire 5th your information that american natl bank mclean texas reopened yesterday is correct. Chief examiner collier informs me that sufficient amount of frozen assets have been removed by cash and large percentage of deposits restricted as will probably insure banks continued operations. Note your request that in future when bank closes under holiday declared by civil authorities my telegraphic report so state. Will be governed accordingly. When wiring on 3rd it was my information that bank was permanently closed.

Walsh

Original in suspension file.

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Authority UND 30026

4703(11)

TELEGRAM

Dallas Jan. 3

Board

Washn

American national bank McLean Texas head office territory closed today by order its board of directors and affairs in charge national bank examiner following is status with us rediscounts \$29,730.97 additional collateral held 8,320.32 cash letters and collections outstanding 3,609.01 reserve balance 632.00 capital stock paid in 900.00 suspension in culmination of badly extended condition result of weak management and depressed agricultural conditions mclean community

Walsh

Original in suspension file

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Authority UND 30026

FEDERAL RESERVE DISTRICT Eleventh

470.3 (11)

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

	Obtained	Demand	Time deposit
	depositors' waiver agreements	deposits withdrawals restricted *	withdrawals restricted be- yond terms of by-laws*
	Effective Date	Period during which Effective	
Merchants National Bank Brownsville, Texas	No	3-11-32	to 3-25-32
Citizens National Bank Brownwood, Texas	1- 4-32	1- 4-32	to
Clyde National Bank Clyde, Texas	Yes**	Not known	
First-Coleman National Bank Coleman, Texas	2- 2-32	2- 2-32	to 12-31-33
First National Bank Harlingen, Texas	Yes**	Not known	
First National Bank Lockney, Texas	Yes-verbal**#	Not known	
First National Bank in Munday, Texas	1-18-32	1-18-32	to 12-19-32
San Angelo National Bank San Angelo, Texas	1- 4-32	1- 4-32	to
First National Bank Stamford, Texas	Yes**	Not known	
First National Bank Jayton, Texas	Not known	3-28-32	to 5- 3-32
Woodson State Bank Woodson, Texas	Not known	1- 8-32	to
First State Bank Rochester, Texas	Not known	5-14-32	to
First State Bank Vernon, Texas	Not known	6- 4-32	to

**Effective date not known

Early in year some of depositors agreed not to withdraw their balances without 30 days or more notice. When the bank reopened on December 4, 1932, it restricted withdrawals of all old depositors.

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FEDERAL RESERVE BANK OF DALLAS

470 3(11)

December 3, 1932

Federal Reserve Board
Washington, D. C.

Gentlemen:

The reserve balances carried with us by the First National Bank, Lockney, Texas, have shown a continuous average deficiency during six consecutive months, beginning May 16, 1932.

In accordance with your regulations, I addressed a letter on this subject to each member of the bank's board of directors under date of November 7, 1932, and am enclosing copies of a reply received from President Artie Baker on behalf of his directors.

The subject bank has been in continuous difficulties throughout the present year, due partly to economic conditions and partly to weak management. The bank has exhausted its credit with all existing credit agencies and, as a result of a continuous withdrawal of deposits, it recently declared a moratorium on its deposit liabilities, under which it has suspended payments to its depositors until December 5.

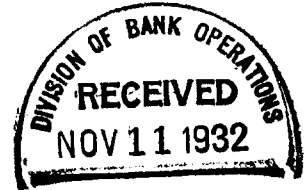
It appears that the suspension of the bank is inevitable. Under these circumstances, I see nothing that could be accomplished by disciplinary action on the part of the Comptroller's Department or the Federal Reserve Board, and I, therefore, recommend that no action be taken in connection with this case.

Yours very truly,

C. C. Walsh,
Federal Reserve Agent.

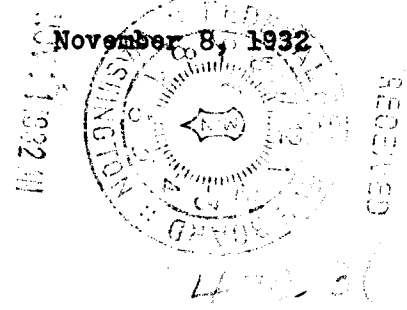
WJE:MM

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FEDERAL RESERVE BANK
 OF DALLAS

C. C. WALSH
 CHAIRMAN OF THE BOARD
 AND FEDERAL RESERVE AGENT



Federal Reserve Board
 Washington, D. C.

Attention Mr. E. L. Smead, Chief
Division of Bank Operations

Gentlemen:

We acknowledge receipt of Mr. Smead's telegram of November 3, 1932, as follows:

"Please furnish statement showing name and location of each bank in your district which is now or has been at any time this year on so-called moratorium basis, stating in each case:

(1) whether brought about by holiday declaration of local authorities or in some other specified way;

- (2) whether for purpose of
- a. readjusting capital structure,
 - b. deferment of deposits,
 - c. surrender by depositors of a portion of deposits;

(3) whether bank stopped receiving and paying deposits for any period and, if so, dates of cessation and resumption and conditions of resumption; and

(4) conditions under which your bank continued to handle items on such banks, if it did so.

Please mail such information unless there are only few such banks in your district as to which information can be wired."

Referring to the above telegram requesting information respecting banks which have been on the so-called moratorium basis this year in the Eleventh Federal Reserve District, I am pleased to submit the following information which we have been able to obtain with reference to such banks in the head office and branch territories:

Head Office Territory

First National Bank, Jayton, Texas

- (1) Our records do not show whether a holiday was declared by local authority or some other authority.
- (2) a. Records do not show.
 b. Deferment of deposits.
 c. Records do not show.
- (3) Limited withdrawal of deposits was permitted on and after March 30, 1932. Bank closed on May 3, 1932.

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Board - Washington

Page 2

(4) Items forwarded direct to bank for remittance and such checks as were dishonored on account of restriction of deposits were returned to our endorsers for that reason.

Woodson State Bank, Woodson, Texas, (Nonmember)

- (1) Information not available from our records.
- (2) Information not available from our records.
- (3) Only limited withdrawals of deposits permitted on and after January 8, 1932. Restrictions still in force, so far as we know.
- (4) Items forwarded direct to bank for remittance and such checks as were dishonored on account of restriction of deposits were returned to our endorsers for that reason.

San Antonio Branch Territory

Merchants National Bank, Brownsville, Texas

- (1) Effective by declaration of bank's board of directors.
- (2) a. For readjustment of capital structure.
b. Deferment of deposits.
c. Surrender by depositors of a portion of deposits.
- (3) Only limited withdrawals of deposits permitted on and after March 11, 1932. However, not later than March 20, 1932, bank discontinued receiving deposits but continued paying deposits on restricted basis, which continued until closing on March 25, 1932. ✓
- (4) Items forwarded direct to bank for remittance.

First National Bank, Harlingen, Texas

- (1) Declaration of partial moratorium by bank's board of directors.
- (2) a. Readjustment of capital structure.
b. Deferment of deposits.
- (3) Bank did not stop receiving deposits. Payment of deposits restricted to nominal weekly withdrawals. Resumption of payments never officially declared. However, our information is that purpose of partial moratorium was to enable refusal only of such demands as represented unneeded withdrawals and apparently such demands have now ceased.
- (4) Items forwarded in open mail for remittance.

Houston Territory

The Houston Branch territory did not have any banks which would come under this classification.

El Paso Territory

The El Paso Branch territory did not have any banks which would come under this classification.

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Board - Washington

Page 3

In summary, while the Board did not call for it, I am listing the names of banks that went on a moratorium basis in our district during the latter part of 1931, giving, as far as our records show, the dates that these restrictions became effective. Most of the banks in this group restricted their daily withdrawals to an amount not exceeding \$10. You are familiar with the unsettled conditions which existed in September and October of last year, and most of the banks that are named in this additional list were affected thereby.

All of the items drawn on these banks were forwarded to them direct for remittance and were returned unpaid to our endorsers for the reason of restrictions on deposits when they were returned to us for that reason by the drawee banks. We did, however, remove the names of two banks from our par list when the practice of limiting withdrawals of deposits first put in its appearance in our district. These banks were the Commercial State Bank of Ranger and the First State Bank of Comanche. The Comanche bank was later restored to the par list, but the Ranger bank is still a non-par bank.

I also again make reference to the moratorium declared by all banks situated in the Rio Grande Valley, which limited deposit withdrawals to a nominal amount. Each bank was permitted to use its own discretion as to which payments to depositors might be refused, the sole purpose of the moratorium being to enable each bank to refuse such payments as appeared to represent withdrawals for the purpose of transfer or hoarding. Up to the present time there has been no declaration of resumption of payments. However, it is our understanding that conditions gradually quieted and payments have been resumed in many instances. This same explanation applies to many of the banks named below, particularly in the western section of our district.

<u>Name</u>	<u>Location</u>	<u>Member or Nonmember</u>	<u>Date Noticed By Us</u>
First National Bank	Levelland, Texas	Member	9-23-31
First National Bank	Littlefield, Texas	Member	9-23-31
Plainview National Bank	Plainview, Texas	Member	9-14-31 <i>Susp. 9-15-31</i>
First National Bank	Santa Anna, Texas	Member	10-8-31
Woodson State Bank	Woodson, Texas	Nonmember	1- 8-32
First National Bank	Jayton, Texas	Member	3-30-32 <i>Susp 5-3-32</i>
First State Bank	Rochester, Texas	Member	5-18-32
First State Bank	Vernon, Texas	Nonmember	6- 4-32
Clyde National Bank	Clyde, Texas	Member	
First State Bank	Comanche, Texas	Nonmember	10-19-31
F. & M. State Bank	DeLeon, Texas	Member	
First National Bank	Goree, Texas	Member	<i>Consolidated with 1st Nat of Sunday 11/18/32</i>
F. & M. National Bank	Hamlin, Texas	Member	10-10-31

F. & M. Nat 1st - only 1st in DeLeon

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 Authority VND 30026

Board - Washington

Page 4

<u>Name</u>	<u>Location</u>	<u>Member of Nonmember</u>	<u>Date Noticed By Us</u>
Farmers State Bank	Haskell, Texas	Nonmember	
First State Bank	McCaulley, Texas	Nonmember	
Commercial State Bank	Ranger, Texas	Nonmember	10-6 -31
First State Bank	Roby, Texas	Member	12-23-31 <i>succeeded by Roby St. Bk.</i>
First National Bank	Rotan, Texas	Member	
Rotan State Bank	Rotan, Texas	Nonmember	
First National Bank	Stamford, Texas	Member	

4/14/32

I regret that we have been unable to secure more satisfactory dates for the beginning and termination of the moratorium declared in the various banks listed. However, if you desire something more specific than I have herewith submitted, we will take the matter up with the various banks and make an effort to secure the same.

Yours very truly,

Allen Ash

Federal Reserve Agent

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 Authority UND 36026

<u>Texas</u>				<u>Dist #11</u>
	<u>Capital</u>	<u>Deposits</u>	<u>Pop.</u>	<u>County</u>
Woodson State Bank, Woodson ^{Non} ✓	13	135	225	Shrockmoton
First Nat. Bank, Harlingen ✓	50	413	12,124	Cameron
" " Levelland ✓	25	147	1,661	Hockley
" " Littlefield ✓	25	189	3,218	Lamb
" " Santa Anna ✓	50	365	1,883	Coleman
First State Bank, Rochester SM ✓	25	72	562	Haskell
" " Vernon ^{Non} ✓	50	434	9,137	Wilbarger
Clyde Nat. Bank, Clyde ✓	25	112	706	Callahan
First State Bank, Comanche ^{Non} ✓	65	221	2,435	Comanche
F. & M. State Bank, DeLeon ^{Nat} ✓	50	228	1,766	"
F. & M. Nat. Bank, Hamlin ✓	40	133	2,328	Jones
Farmers State Bank, Haskell ^{Non} ✓	50	190	2,632	Haskell
First " " Mc Cauley ^{Non} ✓	25	120	715	Fisher
Commercial " " Ranger ^{Non} ✓	35	563	6,208	Eastland
First Nat. Bank, Rotan ✓	30	71	1,632	Fisher
Rotan State Bank, Rotan ^{Non} ✓	25	66	1,632	Fisher
First Nat. Bank, Stamford ✓	50	236	4,095	Jones
First Nat. Bank, Jayton ✓	40	118	623	Kent
Merchants Nat. Bank, Brownsville ✓	250	2,750	22,021	Cameron
Plainview Nat. Bank, Plainview ✓	125	1,672	8,834	Hale
First Nat Bank, Moree ✓	25	105	457	Knox
First State Bk. Roby ^{St. mem} ✓	40	108	810	Fisher
	1,113	8,448		