

421.11 (10) - Committee on Branch Group &
Chain Banking
FRBank Kansas City

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FEDERAL RESERVE BANK
OF
KANSAS CITY

421-11(10)
RECEIVED
SEP 15 1933
DIVISION OF RESEARCH
AND STATISTICS.

Mr. Blatter

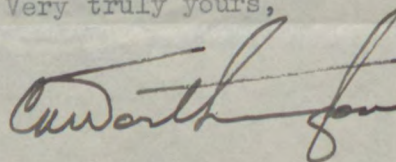
September 13, 1933.

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch,
Group and Chain Banking,
Federal Reserve Board,
Washington, D.C.

Dear Mr. Goldenweiser:

Referring to your letter of August 7 and Governor
Hamilton's letter to you of August 12, we have found another
copy of the preliminary and confidential Summary Report of
your Committee which was distributed at the Governors Confer-
ence of November 12, 1932, and it is being returned to you
under another cover.

Very truly yours,



C. A. Worthington,
Deputy Governor.

L

Miss Hamilton

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

RECEIVED
AUG 15 1933
DIVISION OF RESEARCH
AND STATISTICS

[Signature]

August 12, 1933

Mr. E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking
Federal Reserve Board
Washington, D. C.

Dear Mr. Goldenweiser:

In accordance with your request of August 7, we are mailing under separate cover the confidential copy of the Summary of the reports of the Federal Reserve Committee on Branch, Group and Chain Banking, distributed at the Governors' Conference in November 1932.

Yours very truly,

Geo. H. Hamilton
Geo. H. Hamilton
Governor

FEDERAL RESERVE BANK
OF
KANSAS CITY

August 10, 1933

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DIVISION OF RESEARCH
AND STATISTICS.

Mr. Blotner

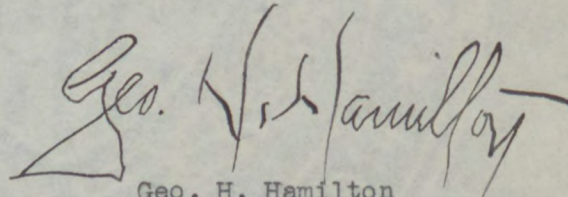
Mr. E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking
Federal Reserve Board
Washington, D. C.

Dear Mr. Goldenweiser:

The ten volumes covering the reports of the Federal Reserve Committee on Branch, Group, and Chain Banking, arrived this morning.

I will be absent from the bank for a few days and upon my return to duty will try to find the earlier summary of these reports and return it to you.

Yours very truly,



Geo. H. Hamilton
Governor

421.11(10)

August 7, 1933

Governor G. H. Hamilton
Federal Reserve Bank
Kansas City, Missouri

My dear Governor Hamilton:

I take pleasure in sending you under separate cover copies of the reports of the Federal Reserve Committee on Branch, Group, and Chain Banking, which the Governors expressed a desire to see with the view to passing on the desirability of printing them.

The various reports, which are being transmitted, include: (1) Branch Banking in the United States; (2) Branch Banking in California; (3) Branch Banking in England; (4) Branch Banking in Canada; (5) Banking Groups and Chains; (6) Changes in the Number and Size of Banks in the United States, 1834-1931; (7) Bank Suspensions in the United States, 1892-1931; (8) 225 Bank Suspensions, Case Histories from Examiners' Reports; (9) Banking Profits, 1890-1931; (10) Dual Banking System in the United States. I am also sending you a revised Summary of the Reports and, as our supply of charts is limited, I shall be glad if you can conveniently return the copy of the earlier Summary which was distributed at the Governors' Conference last autumn.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group, and Chain Banking.

421.11/10

November 25, 1932

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

In accordance with your letter of November 21st I am sending you herewith a table showing for the States in your district the number of suspensions during 1921-1931 per hundred active banks on June 30, 1920.

This is a part of the material incorporated in the Committee's study on suspensions, and since the Committee's reports have not yet been made public, I suggest that you do not give publicity to these figures.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

Enc.

Number of Suspensions, 1921-1931, per Hundred Active Banks
on June 30, 1920, by States and by Size of Loans and
Investments

State	Size groups - loans and investments in thousands of dollars										Total
	Under \$150	\$150 to 250	\$250 to 500	\$500 to 750	\$750 to 1,000	\$1,000 to 2,000	\$2,000 to 5,000	\$5,000 to 10,000	\$10,000 to 50,000	\$50,000 and over	
<u>National banks</u>											
Colorado ²⁵	50.0	27.8	21.6	4.0	11.8	14.3	16.7	-	-	-	17.7
Kansas ¹⁸	5.9	7.0	8.0	6.8	16.7	3.0	10.0	-	-	-	7.2
Missouri ²⁵	100.0	27.8	23.7	14.8	14.3	16.7	-	-	-	-	18.4
Nebraska ⁴⁰	200.0	35.7	24.2	11.1	15.8	18.2	42.9	-	-	-	21.3
New Mexico ²¹	-	36.4	40.0	57.1	75.0	125.0	25.0	-	-	-	44.7
Oklahoma ¹³	54.8	25.4	16.3	14.3	15.8	25.0	11.8	-	-	-	21.0
Wyoming ¹¹	66.7	60.0	21.4	25.0	-	11.1	-	100.0	-	-	23.4
<u>State banks</u>											
Colorado ⁴⁹	41.5	39.5	23.3	50.0	-	22.2	-	-	-	-	34.9
Kansas ²⁸¹	37.6	19.6	15.7	26.5	4.8	15.4	50.0	-	-	-	25.7
Missouri ⁴⁹³	45.0	29.1	24.7	12.4	22.7	8.0	12.0	25.0	-	-	32.6
Nebraska ⁴⁸⁰	78.8	36.1	27.1	28.8	35.7	35.7	100.0	-	-	-	47.7
New Mexico ⁴¹	53.3	33.3	60.0	116.7	200.0	20.0	-	-	-	-	54.7
Oklahoma ²³⁷	55.1	20.5	30.0	32.3	57.1	20.0	40.0	-	-	-	38.8
Wyoming ⁵³	58.5	35.0	42.3	-	400.0	-	-	-	-	-	47.7

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

RECEIVED
NOV 23 1932
DIVISION OF RESEARCH
AND STATISTICS.

OFFICE OF
FEDERAL RESERVE AGENT

November 21, 1932

Mr. E. A. Goldenweiser
Chairman, Committee on Branch, Group and Chain Banking
Federal Reserve Board
Washington, D. C.

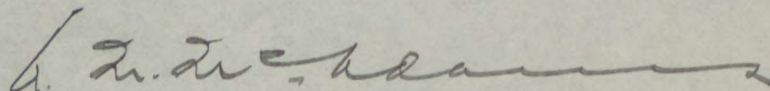
Dear Mr. Goldenweiser:

Chart No. 4 on page 6 of the summary report of the Committee on Branch, Group and Chain Banking shows the number of national and State bank suspensions during 1921-1931 per hundred active banks on June 30, 1920. If this same information has been compiled by States, we shall be very glad to have it for the several States in our District, and if possible we should also like to have similar information given separately for State banks and national banks.

We have been asked to supply some information along the lines indicated above, covering bank suspensions in Kansas, for use in connection with a study being made by a committee of the Kansas Bankers Association. The request made of us comes from Mr. E. E. Mullaney, one of our directors, who is a member of the committee referred to, and the reason for asking separate figures on State banks and national banks is that Mr. Mullaney thinks the committee's report, as tentatively prepared, gives undue weight to the fact that more State banks than national banks have failed, and that not enough consideration has been given to the influence on bank suspensions of inadequate capital and inadequate earning assets.

If this information is in such form that it can be sent to us, we shall be very glad to receive it.

Very truly yours,



McA/H

Assistant Federal Reserve Agent

RECEIVED
FEDERAL RESERVE BOARD
WASHINGTON
NOV 23 1932 AM

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

OFFICE OF
FEDERAL RESERVE AGENT

November 17, 1932

Mr. Green

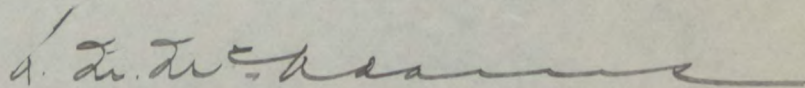
Mr. E. A. Goldenweiser
Chairman, Committee on Branch, Group and Chain Banking
Federal Reserve Board
Washington, D. C.

Dear Mr. Goldenweiser:

We are enclosing the reports requested in your letter of July 9, covering the changes since 1914 in the banking laws of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Wyoming.

We regret that this information has not been furnished more promptly, but as indicated in our letter of September 16, we first endeavored to secure the information from the respective State banking departments. Only three of the six States complied with our request, and the preparation of the data was then turned over to our legal department. It was found that the information prepared by the three banking departments was inaccurate and incomplete, making it necessary to review all of the banking legislation in each State.

Very truly yours,



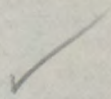
Assistant Federal Reserve Agent

MCA/H
Enc.

7-6

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY



OFFICE OF
FEDERAL RESERVE AGENT

September 16, 1932

Mr. E. A. Goldenweiser
Chairman, Committee on Branch, Group and Chain Banking
Federal Reserve Board
Washington, D. C.

Dear Mr. Goldenweiser:

Replying to your letter of September 12, relative to the questionnaire covering changes in State banking laws, we have now received responses from three of the six States of which we requested this information, but we have found it necessary to ask our legal department to work up the data for the other States.

We hope to be able to have this information ready for you within a short time.

Very truly yours,

Assistant Federal Reserve Agent

McA/H



421.11(10)

September 12, 1932

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

On July 9th we sent you a questionnaire regarding the changes in State banking laws, and requested that you secure for us, if possible, this information for the States in your district. We realize that it is not easy to secure information of this nature from the overworked State banking departments. However, we are now trying to finish this report and should appreciate it very much if you could expedite the preparation of this material for those States which have not yet supplied it.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

R
H

421.11(10)

July 9, 1932

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

The Federal Reserve Committee on Branch, Group and Chain Banking is very anxious to obtain a summary of the important changes in State legislation regarding banks and trust companies since the inauguration of the Federal Reserve System. This is for use in a study of the effects upon our banking structure of competition between various classes of banking institutions.

For some phases of banking legislation (e.g., reserve requirements and the operation of branches) our information is already fairly complete. In other respects, however, it is inadequate, and we should like to ask your assistance in filling in these deficiencies.

The enclosed mimeographed forms outline specifically the information desired. Would you be able to obtain for us this information from the banking departments of the States whose capitals lie within your district, or from your legal department? It is not necessary that we have all the details of every law bearing upon the points enumerated. We want to know what changes have occurred since 1914 which have a significant bearing upon the operations of banking institutions and upon the types of assets held by banks.

Very truly yours.

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

Enc.

N

421.11(10)

June 11, 1932

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

Through an error one bank consolidation was omitted from the list accompanying our letter of June 4th, inquiring as to the motives for choosing a State or a national charter. This was the consolidation in 1921 of the National Bank of Commerce, the Midwest Reserve Trust Company, and the Commerce Trust Company, the consolidated institution taking the name of the Commerce Trust Company. We should be glad to receive information as to the reasons for choosing a State charter in this instance, along with those named in our former letter.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

$\frac{W}{H}$

421.11(10)

June 10, 1932

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking wishes to know the basis of the classification, in the reports of the Comptroller of the Currency, of State banking institutions into State (commercial) banks on the one hand and loan and trust companies on the other. The office of the Comptroller informs us that this classification is made by the respective banking departments when the figures are reported to him.

Could you, therefore, find out from the banking departments of the following States, the basis for the distinction between commercial banks and loan and trust companies?

Kansas
Colorado

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

H

421.11(10)

June 4, 1932

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

In recent years there have been many changes among banking institutions from national charter to State charter and vice versa. These changes have occurred through both conversions and consolidations. The Committee on Branch, Group and Chain Banking, in connection with its study of the dual banking system, is desirous of obtaining accurate information as to the motives for these changes.

We are enclosing herewith a selected list of these conversions and consolidations in your district, and should appreciate it if you will address an inquiry to each institution asking for a statement of the reasons or considerations which prompted them to convert from one charter to the other, or, in the case of consolidations, why one charter was chosen in preference to the other for the continuing institution. If we can secure from these institutions frank and adequate replies to this question, it will doubtless shed much light on the competitive factors between the two banking systems. While we expect to tabulate and comment on the general results of the replies received, the answers of the individual banks will be held in strictest confidence and, of course, no banks will be mentioned in our report, or designated in such manner as to be recognized.

We are submitting this question to nearly one hundred banks in the various districts in order to secure a fair sample for the country as a whole.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

Enc.

A

District No. 10

Conversions from State to National Charters

Conversions from National to State Charters

Kansas City, Mo. 1920

National Reserve Bank)	Midwest Reserve Trust Co.
Midwest National Bank and Trust Co.)	(Later - Commerce Trust Co.)

Consolidations where National Charter was Adopted

Consolidations where State Charter was Adopted

421 11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN AND FEDERAL RESERVE AGENT

March 18, 1932

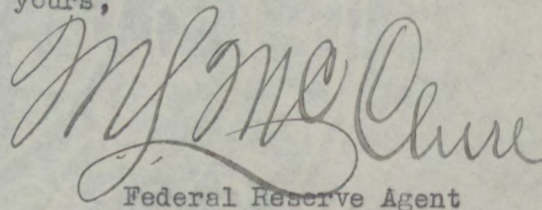
Mr. Blather

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

The several tables requested in your letter
of March 12, to be compiled from the analysis of
bank earnings schedules prepared for your Committee
last year, have been completed and are enclosed
herewith.

Very truly yours,



Federal Reserve Agent

M/H
Enc.

421.11(19)

March 12, 1932

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

For the purpose of assembling certain requested information in connection with proposals for guaranteeing bank deposits, we have prepared the attached tables calling for three items to be taken from the "Analysis of Bank Earnings" schedules which you prepared for the Committee last year. You still hold these schedules in your files and the items desired are J., K. and N. on page two. You will note that the tables call for aggregate dollar amounts for all national banks in each size group. This entails arranging the analysis blanks for each year by size of loans and investments, if they are not already so arranged, and then tabulating the figures for each year for each size group. In the case of each item a separate table should be prepared for each State or fraction of State in your district.

In view of the purpose for which these data are needed it will be appreciated if you can expedite the compilations.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

Enc.

421.11(10)

February 19, 1932

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Referring to your letter of February 16th (the Committee's statistical report on bank suspensions has been held up in order to incorporate 1931 figures. It will soon be finished, however, and we expect to print it sometime during the next two or three months.

Whether our reports will be made public or not rests with the Federal Reserve Board and the Conference of Governors. We shall submit the reports to the Board and the Governors, and presumably they will agree to their publication. We shall probably not get a decision on the matter, however, until they see the reports.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

OFFICE OF
FEDERAL RESERVE AGENT

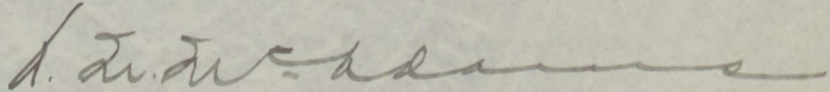
February 16, 1932

Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. E. A. Goldenweiser

The number of requests which we have received, for information on the subject of bank failures in this District, prompt me to inquire whether your Committee expects to publish any of the statistical data and other information developed from that part of your study devoted to bank suspensions.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

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421-11(10)

December 15, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Referring to your telegram of December 14th I doubt if it will be necessary for you to furnish us any additional information regarding the suspended banks for which we are preparing case studies. If anything further occurs to us later, we shall let you know. We are expecting, of course, copies of the banks' bond holdings which you are now preparing.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Mr. Goldenweiser

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

421, 11(19)
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DIVISION OF RESEARCH
AND STATISTICS.

162 gmr

RECEIVED AT WASHINGTON, D. C.

Kansas City Dec 14 1201p

Board

(Attention Goldenweiser) Washington

Referring second section information requested your letter
November 23, we find no comments of our examiners, correspondence,
or memoranda which will, in our opinion, add to information
given under first section. Please advise whether number of
deficient reserve periods and number of days of borrowings from
us by years will be helpful, and also give us any suggestions you
may have.

McAdams

118p

421 11 (10)

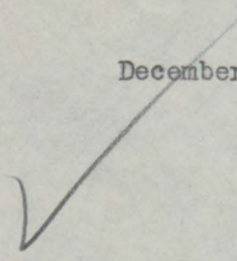
FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. McADAMS
ASST FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

December 14, 1931

Key nos. at photostats



Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Supplementing our letter of December 11, we are enclosing photostatic copies of the bond and other security holdings of the eight selected suspended banks referred to in your letter of November 23, as shown in reports of examination of the respective banks as of the dates of examination at or just prior to suspension, approximately one year prior to suspension, and approximately two years prior to suspension.

Very truly yours,

Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

December 11, 1931

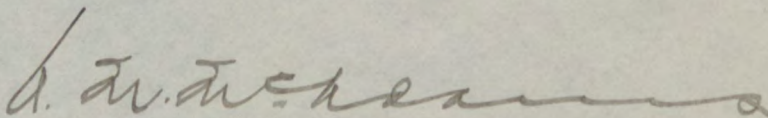
Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

We are enclosing reports on Form F and comments of national bank examiners, prepared as requested in your letter of November 23, for the eight suspended banks named in the list submitted with your letter.

Photostat copies of each bank's bond and other security holdings on the three dates specified will be forwarded within a few days, and we shall endeavor to prepare the second part of the information you desire so that it can be forwarded to you by the end of next week. We do not anticipate that this portion of the study will add much of value to the history of the several banks, particularly in view of the fact that our own examiners did not visit any of the banks and such memoranda or correspondence in our files as may touch on the condition of the respective banks is very largely based on information contained in the national bank examiners' reports.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421. 11 (10)

December 2, 1931.

Mr. W. J. Bailey, Governor,
Federal Reserve Bank,
Kansas City, Missouri.

Dear Governor Bailey:

During the meeting today with the Governors' Conference of the Federal Reserve Committee on Branch, Group and Chain Banking a request was made that each Governor be furnished with a copy of the confidential data submitted recently to the Sub-committee of the Committee on Banking and Currency of the United States Senate which is engaged in a survey of the operation of the National and Federal Reserve banking systems.

A copy of this data is enclosed herewith and it is requested that you also regard it as confidential.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,
Secretary.

EMM/rkt



Handwritten signature or initials

FILE COPY

421. 11(10)

November 23, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

In the early part of this year the Committee initiated a study into the causes of bank failures which consisted in compiling the case histories of 120 banks for several years prior to suspension. These 120 banks were selected from suspensions during 1921-1930 and the material is now being analyzed.

In view of the large number of suspensions during 1931, however, as well as the differences in location and factors involved, it is felt that no study of suspensions would be adequate unless it covered this year. Therefore, 100 banks suspending in 1931 have been selected in a manner which should make them representative of this year's fatalities. Those selected from your district are given on the attached list, and we should appreciate it if you would give us the recent histories of these banks in accordance with the instructions. The information desired consists of four parts.

First, the comments of the national or State bank examiners, as the case may be, from the beginning of 1920 till suspension. The form in which these comments should be drawn up is explained in the enclosed mimeographed instructions to which is attached Exhibit I, an illustration. As an aid to interpretation these comments are interspersed with certain figures showing in a general way the condition of the bank at the time of each examination. Certain other data are also called for, such as population figures and earnings. These are covered in the mimeographed instructions.

Second, the comments of Federal reserve examiners regarding these banks during the same period, together with any correspondence, memoranda or other material in the files of the Federal Reserve bank which will aid in understanding the condition and operation of these banks prior to failure. No special form has been drawn up for compiling this material, but in so far as feasible it should be listed

Mr. M. L. McClure, #2

November 23, 1931

chronologically as in the case of the comments of the national and State bank examiners.

Third, a photostat copy of each bank's bond and other security holdings on three different dates: (1) at or just prior to suspension; (2) approximately one year prior to suspension; and (3) approximately two years prior to suspension.

Fourth, detailed statistical data taken from the examiners' reports and recorded on "Form F" from 1920 to the date of suspension. A copy of this form and comments regarding its preparation are enclosed, and a supply of the forms is being forwarded to you under separate cover.

In case the history of any bank in the list is not available for any reason a substitution should be made of some other typical suspended bank in your district.

In view of the urgent necessity of completing this report at an early date we hope you will have this material compiled and forwarded to us as soon as possible. Perhaps you can let us have it by the 15th of December.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking

Enc.

R
—
F

Suspended Banks Selected for Case Studies

Kansas City District

- | | |
|------------------------|--------------------|
| 1. Limon National Bank | Limon, Colo. |
| 2. First National Bank | Colony, Kans. |
| 3. First National Bank | Holton, Kans. |
| 4. First National Bank | Beggs, Okla. |
| 5. First National Bank | Buena Vista, Colo. |
| 6. First National Bank | Yuma, Colo. |
| 7. First National Bank | Alliance, Nebr. |
| 8. First National Bank | Auburn, Nebr. |

O.K.

421.11(19)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

November 10, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

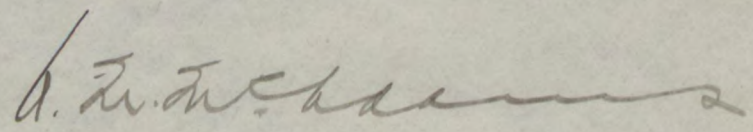
Dear Mr. Riddle:

On September 12 and September 28 we forwarded reports on Form C, covering affiliations in this district between banks and financial companies other than banks. We have now gathered information as nearly complete as seems practicable on affiliations between banks in which there is a common interest amounting to 25 per cent or more in each institution, and are enclosing Form C reports on these cases.

You understand, of course, that we have not prepared Form C reports on cases where three or more banks are concerned, those cases being reported to the Division of Bank Operations as groups and chains. In our study of affiliations between two banks we developed a number of additional groups or chains, on which we are forwarding reports to the Division of Bank Operations today.

In considering the affiliations between two banks and the groups and chains reported from this district it should be kept in mind that there is no satisfactory method of determining the degree of influence exercised by one institution on another or by the dominating shareholding interest in two or more banks. In most of the cases reported, the individual banks making up affiliations or groups or chains are operated as independent institutions, and the common ownership of their shares is a result of the investment policy of the individuals owning the stock.

Very truly yours,



Assistant Federal Reserve Agent

Enc.

421.11(10)

October 23, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

Thank you for your letter of October 20th [?]
with the enclosed copies of letters which you re-
ceived from officers charged with the supervision
of building and loan associations in Kansas, Nebraska,
New Mexico, Oklahoma and Wyoming.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

R.H.

421.11(10)

October 14, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

Would it be possible to get for the Committee's use the approximate number of correspondents which the Kansas City banks have in each state in the Union? We are not interested in names of banks or deposits but merely the number of correspondent accounts in each state.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

421.11(10)

September 29, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We have received your letter of September 24th
with the enclosed investment lists and security indexes
for fifty selected national banks in your district.

Thank you for the detailed description of your
procedure and for the care taken in the assignment of
ratings.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

M
H

421.11(0)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

Mr. Hammond

September 28, 1931

✓

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Forms C containing information on affiliations between banks and other financial companies were forwarded to you on September 12, completed so far as possible at that time. We are now enclosing additional reports on Form C, covering cases of affiliations on which some information was lacking on September 12.

The reports submitted to date include all of the affiliations listed by your Committee and submitted to us with your letter of July 16, and such other affiliations between banks and financial companies other than banks which we were able to develop from our files. Additional reports covering apparent affiliations between banks will be forwarded as soon as we can receive and tabulate information submitted in response to inquiries sent out some days ago.

Very truly yours,

A. M. Meadams

Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

September 24, 1931

Mr. Meadams

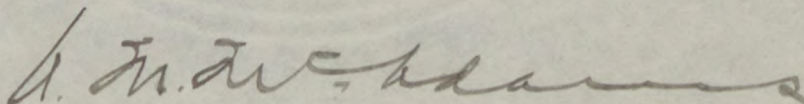
Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We are enclosing Forms S, showing analyses of investment accounts of fifty selected banks of our district, prepared pursuant to your letter of July 16, and we are returning the photostatic copies of investment lists of the fifty banks, marked to show the ratings assigned by us to securities for which we could find no published ratings, and to indicate ratings arbitrarily arrived at as distinguished from those assigned by us after investigation.

Published ratings were not available for a large proportion of the different securities held by the fifty banks. These unrated securities consist for the most part of municipal bonds and warrants, and the ratings assigned by us are based on the opinions of bond dealers and investment houses which we consider well qualified to pass on the respective issues. Where these advisers had no knowledge or available data on which to base a rating, we assigned arbitrary ratings as suggested in our letter of August 12. This procedure necessarily presents an element of error in the rating of individual issues, but we believe it has afforded a reasonably accurate index of quality for the investments of the fifty banks.

Very truly yours,



Assistant Federal Reserve Agent

421. 11 (9)

September 22, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

As you doubtless know, the Federal Reserve Committee on Branch, Group and Chain Banking expects to include in its report a chapter on the competition encountered by banks on the part of non-banking institutions, notably building and loan associations, savings and loan associations, and similar societies conducted on the mutual or cooperative principle. Several of the Federal reserve banks have been good enough to compile and transmit to us much valuable information, which in the main will be sufficient for our purposes. We are anxious, however, to make sure that the report shall not fail to take account of any new developments of importance which may have occurred in recent months, particularly with respect to the manner in which building and loan associations have met the conditions arising out of banking crises in various localities.

Since we hope to complete this part of the report in a few weeks, manifestly there will not be time for an extended inquiry; but we shall be glad to have any information you can furnish, without too much trouble, as to conditions in your district. We should like to know, for example, to what extent the assets of building and loan associations are "frozen," whether more or less seriously than the real estate loans of the banks; whether in general the associations have been obliged to invoke the full extent of their privileges under the law in the matter of requiring notice for payment of the withdrawal value of their shares, or of their deposits, as the case may be, and whether there has been in the past twelve months any considerable increase in building and loan failures, as compared with the years 1928 and 1929.

We shall greatly appreciate a reply along the lines indicated at your earliest convenience.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

R
H

421.11(19)

September 14, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

This will acknowledge with thanks your letter
of September 12th and the receipt of information on af-
filiations between banks and other financial companies in
your district. We are glad to note that you are working
on the uncompleted portion of this study and that we may
expect the balance of it in the near future.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

H/F

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. McADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

September 12, 1931

Mr. J. H. Riddle

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Replying to your letter of September 10, we are sending you today the information on affiliations between banks and other financial companies, compiled pursuant to your letter of July 16. The delay has been occasioned by our effort to make this information for our district as complete as possible, which has involved a good deal of correspondence with banks of the district.

As contemplated by your letter of July 16, we are also working on affiliations between banks in which there appears to be a common interest of 25 per cent or more, or other circumstances indicating a strong common interest. We have completed our check of all information in our files, and have found a great many instances of affiliations as defined above, between two or more banks, and we are just now ready to send out inquiries requesting definite information on those cases where apparent affiliations include State banks. From our experience in gathering information on affiliated finance companies, I think it may be two weeks or more before we receive sufficient information on bank affiliations to submit a reasonably complete report.

Please advise us promptly in case it appears that we have misinterpreted the requests made in your letter of July 16.

Very truly yours,

[Handwritten Signature]
Assistant Federal Reserve Agent

M/H
Enc.

421. 11(10)

September 10, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

In our letter of July 18th we forwarded to you the material which we had compiled on banking affiliations in your district, our request being that you correct and amplify what we had done from your own records and return the completed data to us. Your letter of July 29th apprised us that you were complying with our request. We have already received this information from a majority of the districts and are naturally anxious to receive the balance and complete this portion of our study as soon as possible. Accordingly, we shall be obliged if you will let us know how soon we may expect the returns from your district.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H
H

421.11(10)

August 24, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

In accordance with your telegram of August 22nd
we are enclosing for your use thirty additional copies of
Form S.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

Enc.

H

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

RECEIVED AT WASHINGTON, D. C.

138gb

Kansascity Aug 22 1110am

Board

Attention Riddle Washington.

Please forward this office thirty copies form S

Mcclure

1233p

421.11(10)

August 18, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

We are returning under separate cover the lists of securities held by each of fifty selected national banks in your district which you prepared in accordance with our letter of June 25th. The Committee requests that you indicate the rating assigned by you to each security for which you could find no published rating and that you identify each security classified as "not rated" or "not listed." If adequate information concerning a particular security is lacking and you have assigned an arbitrary rating, the rating should be noted as being arbitrary.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

M
H

421-11 (10)

August 17, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams

With reference to your letter of August 12th, the Committee is willing that you assign arbitrary ratings to securities concerning which pertinent information is not readily obtainable. It is desirable, however, that we know which ratings have been arrived at arbitrarily.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

M
H

421-11 (19)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

August 12, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

2nd 3rd
1-3

Dear Mr. Riddle:

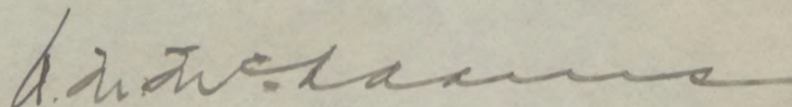
In our analysis of investment accounts of fifty banks, being made as requested in Mr. Goldenweiser's letter of July 16, we are confronted with questions as to the proper method of handling joint stock land bank bonds, municipal warrants, and special district improvement bonds.

We think it hardly practicable to attempt to rate joint stock land bank bonds. It occurs to us, however, that this same question exists in other districts, and that possibly you may have some suggestion for giving arbitrary ratings to these issues.

Reasonably accurate ratings of municipal warrants, special district improvement bonds, and general bonds of a few political subdivisions on which the usual sources of information are silent, will necessitate a good deal of correspondence to gather information as to maturities, order of payment, legality of issue, value of taxable property, amount of total issue, etc. It occurs to us that an extensive study in order to rate these items may not be desirable, and that an arbitrary rating of II-b might be used. Such issues have a low marketability, but a very large proportion of them prove to be satisfactory bank investments. Accordingly, it seems to me that an arbitrary rating of such items, to provide a desirability weight of 50, would give us a more accurate index of quality than would be obtained by including them in the non-rated group.

I shall be glad to have your advice on these matters as soon as may be convenient.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11(10)

August 3, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We have your letter of July 29 raising question as to the procedure you should follow in getting information upon affiliations as requested in our letter of July 16.

In the case of affiliations involving non-member banks alone we understand the difficulty of getting the information and suggest that you ask the state banking departments for it only in those cases where you think it may be readily and satisfactorily furnished. The information which you will be able to supply us on affiliations involving both member and non-member banks and on those involving member banks exclusively will in all probability include the majority of cases.

In the case of affiliations of two banks in different towns, we realize the difficulty of drawing a line between affiliation and investment. Our thought is, however, that ownership or control of two banks by the same persons results in a community of interest between them, which modifies their status as independent "home-town" banks, and practically amounts to affiliation. Furthermore, although control in excess of 25 per cent, as described in our memorandum of instructions of July 16, does not necessarily prove a common managerial interest, it certainly raises a strong presumption in favor of it. We therefore think that banks in different towns with a common stockholding interest as described by you, should be reported as affiliations.

Very truly yours,

B. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking

H
F

421.11 (10)

August 1, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Referring to your letter of July 29th I should think it would be the correct policy in computing the quality index to omit the miscellaneous items mentioned by you which are sometimes carried in a bank's investment account but which do not actually represent investments proper.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

R. H

FEDERAL RESERVE BANK
OF
KANSAS CITY

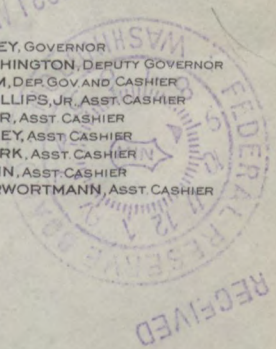
M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MCADAMS
ASST. FEDERAL RESERVE AGENT
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

July 29, 1931



Mr. Hammond

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

In our preliminary work in connection with the reports on Form C, covering non-banking affiliates of banks and affiliations between two banks only, a number of questions have arisen on which we should be glad to have your advice.

A review of reports of examination discloses many more non-banking affiliates of national and State member banks than are listed on your report forms. This indicates the probability that there are many more such affiliates of non-member State banks than you have found record of through Moody's Manual and bankers' and security dealers' directories. We do not believe the State banking departments of our district have any convenient record of such companies, and we think it probable that the State departments could not furnish a complete report on such companies and that even a partial report would call for a rather close inspection of reports of examination and other files. We hesitate to ask the several banking departments to undertake this work, but shall be glad to do so if you think it advisable.

yes
yes
Don't ask. Report what FRB has on roll. St member

Is it intended that affiliations between two banks only shall include cases of banks located in different towns and which have no connection with one another except that some individual or group of individuals exercises some degree of control over both institutions through ownership of twenty-five per cent or more of the stock of both banks, or through participation in the management of both banks by common officers and/or directors? If such cases are to be reported as affiliations, they will include a good many sets of banks where so far as we know there is no tendency toward using the facilities of one institution for the benefit of another, and where the banks concerned are operated strictly as independent units rather than as members of an affiliated group.

See letter

If affiliations between two banks are to be determined as outlined above, we will be able to get reasonably accurate information from reports of examination where two national

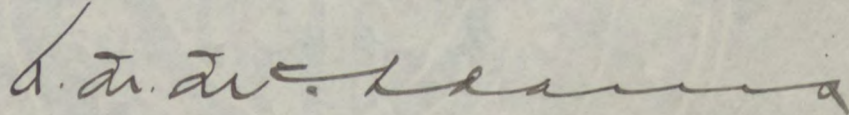
Mr. E. A. G. 2 7-29-31

banks are involved, and by correspondence with the State banking departments we can complete our information on those cases where reports of national banks indicate that the controlling interests in such banks may also dominate or control State institutions. Our only means of informing ourselves of the many cases of common ownership or of a common dominating influence in non-member State banks is through such data as we may be able to get from the State banking departments, and our previous experience in endeavoring to get reports from these departments covering chains of three or more banks indicates that they have no records compiled on this subject and that any comprehensive reply to our request for this information would necessitate a good deal of work. We shall be glad to have your advice as to whether it is desirable for us to ask the State banking departments to cooperate with us in this matter, in order that our report for the district may be as complete as possible.

yes

} don't ask

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421 11 (19)

FEDERAL RESERVE BANK
OF
KANSAS CITY

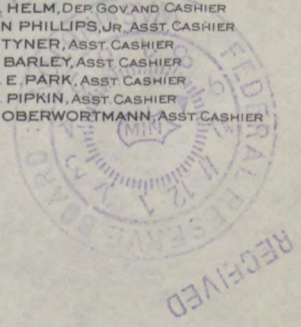
M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
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A. M. MCADAMS
ASST. FEDERAL RESERVE AGENT
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N. R. OBERWORTMANN, ASST. CASHIER

July 29, 1931



Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

In connection with the analysis of investment accounts of fifty banks in our district, as requested in your letter of July 16, we shall be glad to have you advise us with regard to the following:

The footnote at the bottom of Form S instructs against including U. S. Governments pledged to secure circulation, Federal reserve bank stock, and securities of the company owning the bank building. Should we also exclude such items as judgments and claims, securities of safe deposits companies, common stocks acquired for D. P. C., securities of companies formed to handle other real estate, and other items which may be carried in a bank's investment account but which do not represent a voluntary expenditure of funds for investment purposes?

Very truly yours,

Assistant Federal Reserve Agent

McA/H

421.11 (10)

July 21, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Receipt is acknowledged of your letter of
July 18th enclosing Form F reports and summaries for
five successful banks in your district.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
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N. R. OBERWORTMANN, ASST. CASHIER

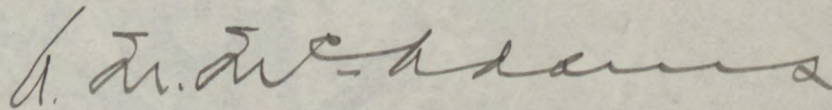
July 18, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

We are enclosing Form F reports and summaries
covering five successful banks in this district, as
requested in Mr. Goldenweiser's letter of March 23.

Very truly yours,



Assistant Federal Reserve Agent

Enc.

RECEIVED



JUL 20 1931 AM

421.11 (10)

July 17, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

Enclosed is material on Form C covering affiliations in that portion of Missouri which lies in the Kansas City district. This should have been sent you under cover of our letter of July 16th but was inadvertently omitted.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

H:H

421.11 (10)

July 16, 1931

Mr. M. J. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

We are sending you a description of an index which has been devised for the purpose of measuring the quality of the security holdings of banks. The construction is simple and is fully explained in the attached memorandum. The Committee desires to have this index computed for a representative list of banks scattered throughout the country in order to determine something of their investment policies.

On June 25th we sent you the names of 50 banks in your district with the request that you send us a list of the securities held by each at the time of the last examination in order that we might make an analysis of these securities. For each of these 50 lists of securities we should like to have you prepare an index in accordance with the enclosed example and the accompanying instructions. If you feel that the 50 banks will not be sufficiently representative of your district, you might enlarge the list.

We are sending you under separate cover a supply of forms for use in computing the index.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking

Enc.

R
H

421.11(10)
x

July 16, 1931.

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:-

We are enclosing for your examination certain material on bank affiliations in your district which we have compiled on a special form (Form C) for use with the Federal Reserve Board's records on the subject. It covers securities companies and other non-banking affiliates as well as affiliations between two banks. The Board's existing records on chains and groups, which are based on reports furnished by the Reserve Banks in compliance with the Board's letter, St. 6386, November 18, 1929, do not include information on these two items.

Specifically, this compilation has been prepared to include the following kinds of affiliates of banks:

(1) All non-banking affiliates of state and national banks, including securities companies, mortgage companies, investment trusts, insurance companies, holding companies, foreign banking companies and safe deposit companies. In each case the name of the bank and the names of its subsidiaries or affiliates are given.

(2) All affiliations between two banks only. This affiliation may exist either through common stockholding interest, trustee stock, direct ownership, or other means. The commonest examples of this are the affiliation of a trust company with a national bank and of a savings bank with a commercial bank.

The compilation has been made principally from three general sources--Moody's Manual of Banks, the directory of Security Dealers of North America, and Rand McNally's Bankers' Directory. Our request is that you check our compilation, make the necessary corrections and additions indicated by your credit files, examiners' reports, and other sources of information, including reference where advisable to the organizations themselves, and return the revised material to us as soon as possible.

Mr. M. L. McClure, #2

July 9, 1931

A memorandum is enclosed which explains the terms used in the compilation, and gives such other information as is necessary to interpret and correct it properly.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

Enc.

M

421.11 (10)

July 14, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

This will acknowledge with thanks your letter
of July 11th with its enclosure of Forms A-2 and A-3
covering bank changes in Nebraska for the period since
1920.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H
H

421.11(10)

July 13, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Receipt is acknowledged of your letter of July 10th
enclosing Form F reports and summaries for twenty suspended
banks in your district.

We note that the reports and summaries for five
successful banks are in process of preparation and will be
sent us shortly.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H

421.11/10

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

July 11, 1931

Mr. Hammond

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

We are enclosing Forms A-3 covering Nebraska consolidations, liquidations, and primary organizations, together with Form A-2 summarizing all changes in Nebraska State banks for the ten year period ended December 31, 1930.

C.H.

Very truly yours,

A. M. Meadams

Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

July 10, 1931

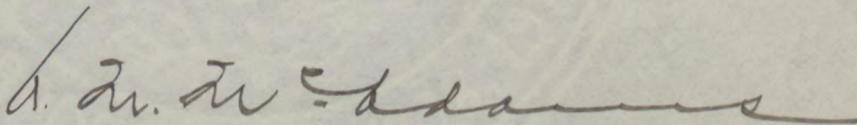
Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

We are enclosing Form F reports and summaries,
prepared as directed in Mr. Goldenweiser's letter of
March 20.

The reports and summaries for five successful
banks are in process of preparation and will be
completed and forwarded as early as possible next week.

Very truly yours,



Assistant Federal Reserve Agent

Enc.

421. 11/10

TELEGRAM
FEDERAL RESERVE BOARD
LEASED WIRE SERVICE
WASHINGTON

2-9454 o r o

July 9, 1931

McAdams, Kansas City

Referring your telegram July 8th, reports on five banks
should cover eleven year period 1920-1930 inclusive.

RIDDLE

JSP

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

RECEIVED AT WASHINGTON, D. C.

421 11(10)
RECEIVED
JUL -J 1931
DIVISION OF RESEARCH
AND STATISTICS

39gta

ansasCity 9am Jul 8

Riddle

Washn

Should reports on five banks referred to , goldenweisers letter
march 23 cover eleven year period 1920 to 1930 inclusive
McAdams

1010am

421. 11/10

July 8, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Thank you for your letter of July 3rd with
the abstracts of examiners' comments taken from re-
ports of examination of twenty selected suspended
banks in your district.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

R:4

421.11
(10)

July 8, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks receipt of your
letter of July 6th enclosing photostatic copies of the
investment lists of the fifty selected banks in your
district.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

C.A.H.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
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W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

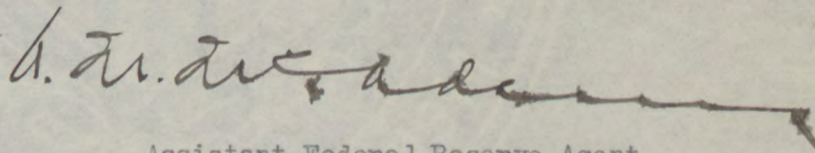
July 6, 1931

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We are enclosing photostatic copies of Page 7
of the most recent reports of examination of the
fifty banks referred to in your letter of June 25.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
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W. J. BAILEY, GOVERNOR
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E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

July 3, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

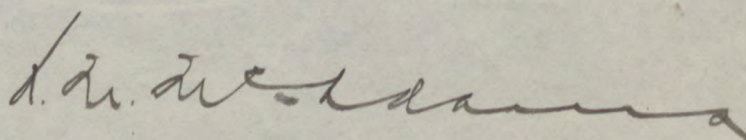
Dear Mr. Riddle:

We are enclosing abstracts of examiners' comments taken from reports of examination of twenty selected suspended banks in our district, prepared as directed in Mr. Goldenweiser's letter of March 20. We are making no special report covering changes in local industries or other economic developments, since we believe the examiners' comments fully explain any changes not common in practically all communities which contributed to or brought about the difficulties of individual banks.

I am very sorry that our delay in preparing this information and the information to be recorded on Forms F has held up your work. I think the Forms F can be completed and forwarded to you by the end of next week.

In our telephone conversation yesterday, I asked that you send us 50 additional copies of Form F, and today I am wiring you to increase the number to 250. We found that the stack of these forms which you originally forwarded contained several good sized blocks of blank sheets.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

July 3, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Your telegram of July 3rd requesting 250 copies of Form F has been received. The 50 copies which you requested in our telephone conversation were mailed you yesterday, and we are enclosing herewith the additional 200 copies.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

CAH

TELEGRAM

421.11 (10)

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

RECEIVED AT WASHINGTON, D. C.

119got

Kansas City Mo 1125a July 3 1931

Board

Attention Riddle,
Washington

Please send 250 instead of 50 copies of form F.

Mcadams

1230p

421.11(10)

July 2, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

In accordance with our telephone conversation today I am enclosing for your use 50 additional copies of Form F.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

CAH

421.11(10)

June 30, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

In some confidential report which I read recently, there is reference to a chain or group known as the First Bank Stock Corporation organized by American-First National Bank interests in Oklahoma City, now the First National Bank & Trust Company.

We seemingly have no record of this group. Can you secure any information on it for us?

Is there any special significance to the fact that the Liberty National Bank of Oklahoma City is no longer a unit of the Southwest Bankshares Corporation?

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

u
H

421.11(10)

June 25, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

We are enclosing herewith the names of 50 banks in your district and would appreciate it if you could send us a list of the bonds, securities, etc., held by each of them at the time of the last examination. The Committee is undertaking to make an analysis of the investment holdings of a representative group of banks throughout the country in order to determine their investment policies. These banks have been selected at random in order that they may be representative. Perhaps the investment list in each case, which usually appears on page 7 of the National bank examiner's report, can be photostated at a minimum of time and cost.

In returning these lists, it would be of much assistance if you could give the total loans and investments of each bank in order that we may group them according to size. The items included in total loans and investments are set forth in articles 1 to 4 inclusive of the Board's Form 105a.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking

Enc.
F

Fifty Selected National Banks
in Federal Reserve District No. 10

1.	First N. B.	Carbondale,	Colorado
2.	Denver N. B.	Denver,	"
3.	Fort Collins N. B.	Fort Collins,	"
4.	First N. B.	Johnstown,	"
5.	First N. B.	Mancos,	"
6.	Commercial N. B.	Salida,	"
7.	Farmers N. B.	Agra,	Kansas
8.	Baxter N. B.	Baxter Springs,	"
9.	Montgomery County N. B.	Cherryvale,	"
10.	Exchange N. B.	Cottonwood Falls,	"
11.	Citizens N. B.	Eureka,	"
12.	First N. B.	Goodland,	"
13.	First N. B.	Highland,	"
14.	Security N. B.	Independence,	"
15.	First N. B.	LeRoy,	"
16.	Marion N. B.	Marion,	"
17.	First N. B.	Oakley,	"
18.	First N. B.	Pittsburg,	"
19.	First N. B.	Sedan,	"
20.	First N. B.	Toronto,	"
21.	Union N. B.	Wichita,	"
22.	Fidelity N. B.	Kansas City,	Missouri
23.	Burnes N. B.	St. Joseph,	"
24.	First N. B.	Atkinson,	Nebraska
25.	First N. B.	Chadron,	"
26.	Wallace N. B.	Exeter,	"
27.	City N. B.	Greeley,	"
28.	First N. B.	Leigh,	"
29.	First N. B.	Minden,	"
30.	Omaha N. B.	Omaha,	"
31.	Citizens N. B.	St. Paul,	"
32.	Citizens N. B.	Tobias,	"
33.	First N. B.	York,	"
34.	American N. B.	Apache,	Oklahoma
35.	First N. B.	Britton,	"
36.	First N. B.	Chickasha,	"
37.	First N. B.	Cushing,	"
38.	First N. B.	Enid,	"
39.	First N. B.	Grove,	"
40.	Farmers N. B.	Holdenville,	"
41.	First N. B.	Leedey,	"
42.	First N. B.	Miami,	"
43.	Okemah N. B.	Okemah,	"
44.	Pawnee N. B.	Pawnee,	"
45.	American N. B.	Sapulpa,	"
46.	Farmers N. B.	Sulphur,	"
47.	First N. B.	Vinita,	"
48.	First N. B.	Wilson,	"
49.	First N. B.	Evanston,	Wyoming
50.	Citizens N. B.	Torrington,	"

421.11(10)

June 23, 1923³¹

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Thank you for your letter of June 15th with the enclosed report on competition between banks and organizations not recognized as banks in your district. I have not gone over this material yet but it looks as though it would serve our purpose very well.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

R:F

421.11 (10)

June 13, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks your two letters of June 10th enclosing suspension schedules on the Kirk State Bank of Kirk, Colorado, and the Costilla County Bank, San Acacio, Colorado. According to our records, the addition of the two last named schedules completes the suspension returns from Colorado for the entire period 1921-1930 inclusive.

We also have your letter of the same date explaining the manner in which the Colorado suspension schedules were compiled. This information is particularly welcome, for we have delayed making any tabulations from the Colorado schedules until the apparent inconsistencies contained therein were explained.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

June 12, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks the receipt of your
letter of June 8th enclosing Tables I-e, II-e, III-e, IV-e,
and V-e covering the study of earnings and expenses of na-
tional banks in your district for the year 1930.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

421.11 (10)
MAY 21 1931
RECEIVED
W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

June 10, 1931

Mr. Garlock

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

With our letter of March 31 we enclosed a copy of a letter which we forwarded to the Colorado banking department on November 5, in which we asked questions which were calculated to bring us information which would be helpful in connection with your study of the Colorado suspended bank reports. The replies to our questions which we have finally been able to get are given below, numbered to correspond to the paragraphs in the letter of November 5 referred to:

Paragraph 3:

Yes, and assessments were levied in all but a few cases where the financial situation of shareholders was such that the levying of an assessment would avail nothing.

Paragraph 4:

The amounts shown under question 10 as collected from assessments on shareholders represent collections on assessments for double liability. Available records are too meager or too scattered to make it practicable to attempt to report earlier assessments and collections thereon.

Paragraph 5:

These are exceptions noted under paragraph 3.

Paragraph 6:

Available records are too meager or too scattered to make it practicable to report assessments which may have been levied prior to suspension. The settlement of the Greeley Loan and Trust Company suspension was handled in such a way that the department records do not show the amount paid in by shareholders.

Mr. J. H. R. 2 6-10-31

Paragraph 7:

A double liability assessment was levied but no collections thereunder had been made at the time of submitting the report on this bank.

Paragraph 8:

Double liability assessments were levied on these banks but no collections had been made on the last five suspensions at the time the reports were prepared. It is not practicable to attempt to report assessments which may have been levied prior to suspension.

A 200 per cent stockholders' liability assessment was levied in the case of the Farmers State Bank of Flagler, but only \$11.31 was collected under the assessment.

Paragraph 9:

The amounts collected were under double liability assessments which in Colorado is 200 per cent of the par value of the stock held. The assessment was only made to cover the deficiency between the amounts realized from the sale of assets and collections on securities and the amount needed to pay the depositors 100 per cent together with the receivership expenses.

Paragraph 10:

The old stockholders of the Commercial State Bank, Antonito, surrendered their stock and new stock was sold at \$200 a share. The bank reopened without loss to depositors.

Paragraph 11:

The shareholders of the American State Bank, Grenada, paid in \$13,681.47, and also surrendered their stock. \$17,500 new capital was then paid in and the bank reopened without loss to depositors.

Paragraph 12:

The Colorado banking law until recently did not permit a State bank to pledge any of its assets to secure deposits and there were therefore no secured deposits in the banks which suspended during the ten year period ended December 31, 1930. The amounts reported under question 10 as secured claims represent claims in connection with money borrowed.

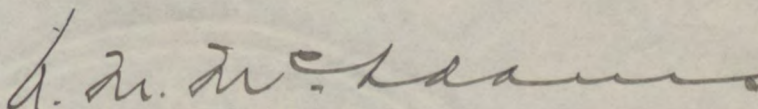
Paragraph 13:

The amount shown as total of collections from liquidation of assets and other sources is the net amount remaining after

deducting the expense of liquidation.

I am very sorry that information in connection with Colorado reports is not more complete, and that it has taken us so long a time to get such information as is now available. I hope the information given above will make it possible for you to use the Colorado schedules in your study.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

June 10, 1931

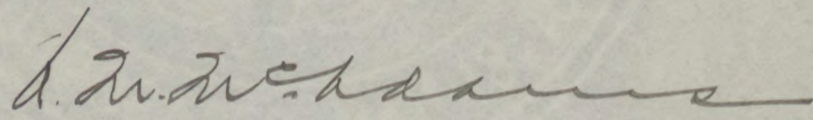
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. C. B. Hammond ?

Supplementing my letter of May 29 and replying further to your letter of April 8, we are enclosing schedules covering the suspension and reopening of the Farmers State Bank, Bovina, Colorado, and the Costilla County Bank, San Acacio, Colorado.

As advised in my letter of May 29, the record in the Division of Bank Operations of the suspension of the Mt. Streeter State Bank, Mt. Streeter, Colorado, as of September 24, 1921, was in error, the closing of that bank having been classed by the Colorado banking department as a voluntary liquidation.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

enc 6-13-31

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
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W. J. BAILEY, GOVERNOR
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

June 10, 1931

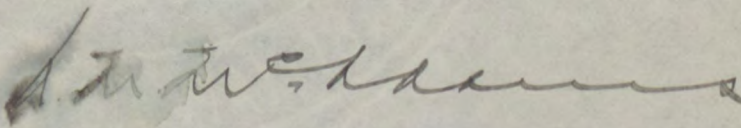
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. C. B. Hammond

The reports on Colorado bank changes, which were forwarded to you some time ago, include in the summary of State bank changes the reopening in 1921 of the Kirk State Bank, which closed in November, 1920.

I am enclosing a suspension schedule showing condition figures of the Kirk State Bank as of the date of closing, thinking that you may want this information inasmuch as the bank reopened during the ten year period included in your study.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.



ans 6-13-31

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MSADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

June 8, 1931

Mr. Blattner

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

We are enclosing tables I-e, II-e, III-e, IV-e,
and V-e, covering the study of earnings and expenses
of national banks in this district for the year 1930.

Very truly yours,

A. M. Adams

Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

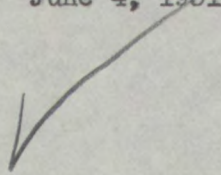
M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MCADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

June 4, 1931



Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Replying to your inquiry of June 2, the man who is preparing the reports on Forms A-2 and A-3, covering Nebraska bank changes, has advised that these reports should be completed by the middle of this month.

As you know, we have been obliged to have practically all of the Nebraska work done by a man employed specially for that work. The man employed, who is an ex-employee of the Receivership Division and therefore very well qualified to do the work, has been at the same time carrying on some graduate work in the University of Nebraska and has been unable to give his full time.

Very truly yours,

Assistant Federal Reserve Agent

McA/H

421.11 (10)

June 4, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

This will acknowledge with thanks your letter of June 1 with its enclosure of reports on Forms A-2, A-3, A-4 and A-5 covering changes in Colorado state and private banks during the ten year period ended December 31, 1930.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

H:F

421.11(10)

June 2, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We have not yet received the data on bank changes in Colorado and Nebraska which were to be reported on Forms A-2 and A-3. Inasmuch as there are only about three or four states in the country for which this information is still to be received we are naturally anxious to get the remaining ones in and conclude this portion of the Committee's study. We should be obliged, therefore, if you will let us know how soon we may expect the information in question.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

CBH/F

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
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A. M. MEADAMS
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

June 1, 1931

Mr. Hammond

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

OK.

We are enclosing reports on Forms A-3 and A-5
covering changes in Colorado State and private banks
during the ten year period ended December 31, 1930,
and summaries of these changes on Forms A-2 and A-4.

Very truly yours,

A. M. Meadams

Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

May 29, 1931

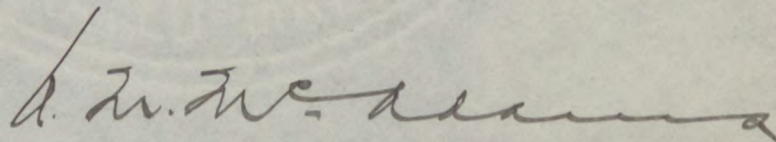
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. C. B. Hammond

Replying to your letter of April 8, we have finally received information from the Colorado banking department to the effect that the reported closing of the Mt. Streeter State Bank, as of September 24, 1921, was a voluntary liquidation instead of a suspension, and that the Farmers State Bank, Bovina, and the Costilla County Bank, San Acacio, closed and reopened on the dates shown by the records of the Division of Bank Operations.

We are now endeavoring to secure information from which to complete suspended bank schedules on the two banks, and hope to be able to forward the reports within a few days.

Very truly yours,



Assistant Federal Reserve Agent



see 6-10-31

421. 11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. M. L. PETRIKIN
DEPUTY CHAIRMAN
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May 29, 1931

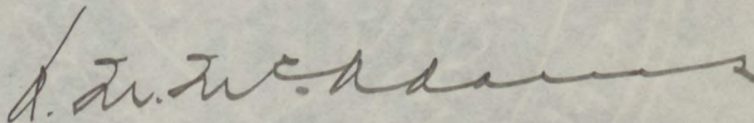
Mr. Blather

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Replying to your letter of May 26, we still
have a good deal of work to do on the earnings
project tables for the year 1930, and anticipate
that ten days' or two weeks' time will be required
for their completion.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

RECEIVED



JUN 1 1931 AM

421.11 (115)

May 26, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

With respect to the earnings project of this Committee, we are at the stage at which we are ready to make final combinations on Tables I-e--V-e for the years 1926-1930 and should be glad if you will be good enough to indicate when we may hope to have the earnings tables for your district for the year 1930.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

B
H

421.11(10)

May 23, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks your letter of
May 20th enclosing forms B-3, B-4, B-5, B-6, B-8,
and B-9, for the State of Nebraska.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

May 20, 1931

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEPT. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

MAY 22 1931 AM

RECEIVED

RECEIVED
MAY 22 1931
DIVISION OF RESEARCH
AND STATISTICS.

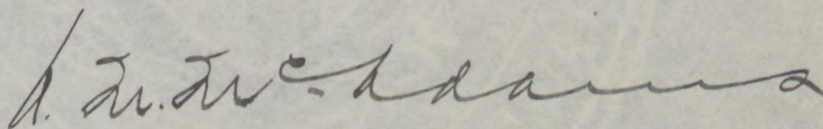
Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We are enclosing reports on Forms B-3, B-4, B-5,
B-6, B-8, and B-9, for the State of Nebraska.

These reports for the other states whose capitals
are located in our district were forwarded with our
letter of April 16.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

May 19, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Your letter of May 16th enclosing three supplementary suspension schedules from Nebraska was duly received. We are glad to have these schedules in their incomplete form for, as you suggest, our work of tabulating the Nebraska data is thereby facilitated.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
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A. M. McADAMS
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

May 16, 1931

Mr. Gerlock

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

We are enclosing suspension schedules on the Citizens State Bank, Clearwater, Nebraska, the American State Bank, Kearney, Nebraska, and the Commercial Bank, Grant, Nebraska. These schedules are incomplete in that they do not show the amount of depositors' claims at time of reopening nor the estimated loss suffered by depositors. This information is being sought by the Nebraska banking department, and will be forwarded to us as soon as possible, in order that the reports may be completed in this respect.

We are forwarding the incomplete schedules at this time, thinking that you may wish to go ahead with the tabulation for the State of Nebraska.

Very truly yours,

A. M. McAdams

Assistant Federal Reserve Agent

McA/H
Enc.



ms 5-19-31

File date 5-15-31

Citizens State Bank, McCook

January 1924 Directory reports this bank merged with the Farmers & Merchants State Bank. While the bank may actually have suspended business for a time we cannot reconcile the report of merger with the fact that you show the process of liquidation almost completed.

Monowi State Bank, Monowi

July 1924 Directory reports the Ponca Valley State Bank of Minowi as succeeding the Monowi State Bank.

Citizens State Bank, Carroll

January 1926 Directory reports this bank "taken over by Carroll State Bank."

Citizens State Bank, Holdrege

January 1926 Directory reports the State Bank of Holdrege as having succeeded the Citizens State Bank.

July 1925 Directory reports Citizens State Bank as operating under Guarantee Fund Commission.

Dodge County Bank, Hooper

January 1926 Directory reports the Hooper State Bank as formerly the Dodge County Bank.

Republican Valley Bank, Naponee

January 1926 Directory reports this bank "taken over by Naponee State Bank, June 4, 1925.

Republican Valley Bank, Riverton

January 1926 Directory reports "assets taken over by Riverton State Bank of Riverton." (no date specified)

American Bank, Sidney

January 1926 Directory reports the American Bank of Sidney as formerly the American Bank.

January 1925 and July 1925 Directories report the American Bank operating under Guaranty Fund Commission but give no record of actual suspension of business.

Farmers Bank, Stapleton

January 1926 Directory shows the Farmers State Bank as formerly the Farmers Bank.

Union State Bank, Harvard

July 1926 Directory shows the Nebraska State Bank of Harvard as formerly the Union State Bank

Security State Bank, Lynch

July 1926 Directory shows the Farmers State Bank as formerly the Security State Bank.

Jan. 1925, July 1925 and January 1926 Directories show the Security State Bank operating under Guaranty Fund Commission.

Security State Bank, Omaha

January 1927 Directory shows the South Omaha State Bank as formerly the Security State Bank.

Ord State Bank, Ord

January 1927 Directory shows the State Bank of Ord as having succeeded the Ord State Bank."

Farmers State Bank, Randolph

July 1926 Directory shows the Farmers & Merchants State Bank as formerly the Farmers State Bank.

Citizens State Bank, Stratton

July 1926 Directory shows the State Bank of Stratton as formerly the Citizens State Bank.

Bank of Burchard, Burchard

January 1930 Directory states that this bank "liquidated" July 1927 to January 1929 Directories show bank operating under Guaranty Fund Commission.

Community State Bank, Glenrock

July 1928 Directory reports this bank in "voluntary liquidation."

<u>Suburban State Bank, Lincoln</u>	12-27-29
<u>Blue State Bank, Blue</u>	6-24-29
<u>Central State Bank, Ames</u>	2-20-29
<u>First State Bank, Bertram</u>	6-11-29
<u>Farmers and Merchants Bank, Blair</u>	2-9-29
<u>Suburban State Bank, Blair</u>	2-25-29
<u>The Commercial State Bank, Blair</u>	5-22-29
<u>First State Bank, Blair</u>	2-20-29
<u>Farmers State Bank, Blair</u>	4-21-29
<u>Farmers State Bank, Blair</u>	1-10-29
<u>City State Bank, Blair</u>	10-22-29
<u>Farmers State Bank, Blair</u>	5-22-29
<u>Commerce State Bank, Cozad</u>	5-21-29
<u>Bank of Cozad, Cozad</u>	10-11-29
<u>Farmers and Merchants Bank, Edmore</u>	7-9-29
<u>Exchange Bank, Edmore</u>	2-27-29
<u>Commerce State Bank, Edmore</u>	2-18-29
<u>Commerce State Bank, Edmore</u>	7-27-29
<u>Commerce State Bank, Edmore</u>	5-16-29
<u>Commerce State Bank, Edmore</u>	7-10-29
<u>Commerce State Bank, Edmore</u>	4-29-29
<u>Commerce State Bank, Edmore</u>	1-22-29

Schedules returned to Kansas City (Nebraska)

<u>Name and location of bank</u>	<u>Date suspended</u>
Citizens State Bank, McCook	7-24-23
Monowi State Bank, Monowi	6-14-24
Citizens State Bank, Carroll	3-30-25
Citizens State Bank, Holdrege	12-19-25
Dodge County Bank, Hooper	6-22-25
Republican Valley Bank, Naponee	6-1-25
Republican Valley Bank, Riverton	6-2-25
American Bank, Sidney	11-21-25
Farmers Bank, Stapleton	10-14-25
United States Bank, Harvard	5-11-26
Security State Bank, Lynch	3-15-26
Security State Bank, Omaha	9-7-26
Ord State Bank, Ord	9-18-26
Farmers State Bank, Randolph	2-24-26
Citizens State Bank, Stratton	5-22-26
Bank of Burchard, Burchard	9-20-29
Community State Bank, Glenrock	3-28-30

Reopened

Nebraska State Bank, Chiowa	12-28-28
Abie State Bank, Abie ✓	6-24-29
Citizens State Bank, Ainsworth ✓	2-20-29
First State Bank, Bertrand ✓	6-21-29
Farmers and Merchants Bank, Bloomfield ✓	2-8-29
Nebraska State Bank, Bloomfield ✓	2-25-29
The Brunswick State Bank, Brunswick ✓	8-22-29
Cairo State Bank, Cairo ✓	11-20-29
Farmers State Bank, Cairo ✓	11-20-29
Farmers State Bank, Clarke ✓	9-10-29
Citizens State Bank, Clearwater ✓	10-22-29
Farmers State Bank, College View ✓	8-22-29
Farmers State Bank, Cozad ✓	5-26-29
Bank of Eagle, Eagle ✓	10-11-29
Farmers & Merchants Bank, Edison ✓	9-9-29
Exchange Bank, Gibbon ✓	12-31-29
Harrison State Bank, Harrison	12-18-29
American State Bank, Kearney	7-27-29
Home State Bank, Kennard ✓	5-16-29
Hawson County State Bank, Lexington	7-10-29
Mason City Banking Co., Mason City ✓	4-29-29
Bank of Monroe, Monroe ✓	1-22-29

Antelope State Bank, Meligh ✓	10-18-29
Farmers State Bank, Rainville ✓	3-27-29
Rosalie State Bank, Rosalie ✓	6-4-29
St. Libary State Bank, St. Libary ✓	7-11-29
State Bank of Surprise, Surprise ✓	3-11-29
City State Bank, Sutton ✓	4-8-29
Sutton State Bank, Sutton ✓	5-27-29
Peoples State Bank, Walbach ✓	8-5-29
American State Bank, York ✓	11-18-29
Arnold State Bank, Arnold ✓	6-16-30
Security State Bank, Arnold ✓	6-19-30
Battle Creek Valley Bank, Battle Creek	6-23-30
Bank of Cedar Bluffs, Cedar Bluffs ✓	1-8-30
State Bank of Colow, Colow ✓	4-16-30
Farmers and Merchants Bank, Elmerick ✓	1-7-30
Bank of Florence, Omaha ✓	5-8-30
Citizens State Bank, Thadford	3-31-30
Oak Creek Valley Bank, Valparaiso ✓	4-16-30

421.11 (10)

May 15, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks your letter of May 11 enclosing schedules on Nebraska banks which suspended operations during the last half of 1930 and the five additional schedules on suspensions not previously reported. Except for the three cases enumerated in your letter, the Nebraska reports are now complete.

Thank you very much for informing us about the Colorado data. We realize that there has been a lack of cooperation on the part of the Colorado Banking Department which made it difficult to get results, but we trust that this new approach will prove successful.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

42111 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

May 11, 1931

Mr. Garlock

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Replying to your inquiry of May 9, we have not yet received a reply to our letter of November 5, addressed to the State Bank Commissioner of Colorado, but we have been endeavoring to bring some pressure on Mr. McFerson through the Managing Director of our Denver Branch and through one of our directors who resides in Denver. I received a letter from the Managing Director this morning, stating that he had had a visit with Mr. McFerson and had received a promise that a reply to the November 5 letter and the reports covering Colorado bank changes would be prepared and forwarded at an early date. I sincerely hope this is not just another promise.

We have received and are enclosing a number of additional reports on suspended Nebraska banks, completing the schedules for that State with the exception of reports covering the closing and reopening of the Citizens State Bank, Clearwater, American State Bank, Kearney, and the Commercial Bank, Grant. These three reports were in your hands at one time, but were returned for additional information as to the amount of losses sustained by depositors. The completed reports should be in our hands within a few days.

The enclosed reports include schedules on the following closings and reopenings which will probably not be shown in the records of the Division of Bank Operations, as our records fail to indicate that they were ever reported to us:

<u>Bank</u>	<u>Closed</u>	<u>Reopened</u>
Venango State Bank, Venango, Nebr.	4-24-28	10-8-28
Security Bank, Meadow Grove, Nebr.	11-1-28	12-12-28
Emerald State Bank, Emerald, Nebr.	1-11-29	1-23-29
Shelby State Bank, Shelby, Nebr.	2-14-29	2-23-29
Fmrs. & Merchants Bank, Elgin, Nebr.	3-1-29	3-16-29

The records of the Division of Bank Operations will probably not show the closing of the Walton State Bank, on October 14, 1930,

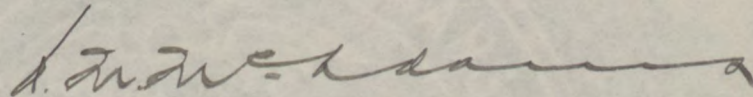
ans. 5-15-31

Mr. J. H. R. 2 5-11-31

for which a schedule is enclosed. This case was originally reported to us as a voluntary liquidation, but since the schedule furnished shows heavy withdrawals of deposits and states that no payments were made to claimants prior to December 31, 1930, it should no doubt be classified as a suspension.

We have been advised that we may expect the reports covering Nebraska bank changes in about thirty days.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

May 9, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We are writing to inquire whether the State Bank Commissioner of Colorado has made any reply to your letter of November 5, 1930 requesting explanatory information regarding various sections of the suspension schedules from his state. As you have indicated, the schedules in their present form are rather unsatisfactory in some respects. We have, therefore, delayed any attempt to tabulate the data submitted pending the receipt of the supplementary information requested in your letter.

We are very anxious, however, to go forward with this work at the earliest possible time. As a matter of fact we have the suspension returns completely tabulated for all but about a half dozen states including Colorado and Nebraska. Anything which you can do to expedite the final reports from these states will be greatly appreciated.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

ans 5-9-31

421.11 (10)

May 4, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Your letter of April 29th enclosing thirty-five supplementary suspension schedules on Nebraska banks was duly received. Thank you very much for the additional information regarding losses to depositors in reopened banks and your explanation relative to the classification of claims as unsecured.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

May 2, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks your letter of April 29th enclosing supplementary suspension schedules on Kansas banks. According to our records the addition of these cases completes the suspension reports from Kansas for the entire period 1921-1930 inclusive.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

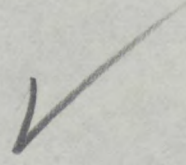
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

May 1, 1931



Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

I was very glad to receive your letter of April 28, and to learn that you feel that the visit here was profitable. I am particularly glad that Mr. Helm and Mr. McClure were able to take my place in endeavoring to supply some measure of entertainment. Both Mr. Helm and Mr. McClure enjoyed having you with them, and Mr. Helm asks me to say that it would have taken a very strenuous objection on your part to avoid the trip over the residential section, because after having taken you through the unattractive part of town to and from the ball park he felt that it would be unfair to Kansas City and all of us to send you away without showing you some of the more favorable features of our city.

Mr. Westerfield did not send us a copy of the tables referred to in his report. As I recall it, he explained that the only copy of these tables prepared, other than his work sheet records, was the copy which he gave to Senator Pine.

Very truly yours,

Assistant Federal Reserve Agent

McA/H

421.11 (10)

FEDERAL RESERVE BANK
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E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

April 29, 1931

Mr Barlock

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. C. B. Hammond

Replying to your letter of April 10, we are enclosing suspension schedules furnished by the Kansas State banking department, covering the Osawatomie State Bank, Osawatomie, Kansas, and the Peoples State Bank, Whitewater, Kansas.

The records of the Division of Bank Operations show the Farmers State Bank, Assaria, Kansas, closed on February 4, 1921, and the Kanorado State Bank, Kanorado, Kansas, closed on April 4, 1921. We are advised that the Farmers State Bank of Assaria, although described as a closing in the original advice furnished by the banking department, was in fact a voluntary liquidation, effective January 2, 1921, and that the advice of closing of the Kanorado State Bank, on April 4, 1921, was in error, this bank having discontinued operations sometime in 1920 and its deposit liabilities having been taken over by the newly organized First National Bank of Kanorado.

Very truly yours,

A. M. Msadams

Assistant Federal Reserve Agent

McA/H
Enc.

ans 5-2-31

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MCADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

April 29, 1931

Mr. Riddle

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Supplementing our letter of March 31, and replying further to your letter of February 17, we are enclosing schedules showing the closing and reopening of the Brownville State Bank, Brownville, Nebraska, and the Farmers Bank, Crawford, Nebraska, and thirty-three of the thirty-six schedules on reopened Nebraska banks which you returned to us for additional information as to the amount of losses sustained by depositors. The thirty-three schedules have now been amended to show the amount of deposits paid in full because of being secured or subject to offset, the amount of unsecured deposits affected by the waiver agreement of the depositors, and an estimate of the amount of loss which will be sustained by depositors after liquidation of the assets trusteeed for their benefit.

Your letter of February 17 comments on the fact that most of the reopened banks covered by the schedules which you returned to us failed during the time the depositors' guarantee fund law was in force, and questions the consistency of the reference to unsecured deposits in the schedules on reopenings when such deposits are treated as "preferred" in the schedules for banks which did not reopen. In explanation of this apparent inconsistency, we are advised that in the cases of reorganization and reopening depositors did not file claims for their deposits, except as they signed waiver agreements, and that the term "unsecured deposits" used in these schedules refers to all deposits other than those which were secured or subject to full payment through offset.

Three of the schedules on reopened banks which you returned to us are still to be completed and forwarded to us, being reports on the following banks:

- Citizens State Bank, Clearwater, Nebraska
- American State Bank, Kearney, Nebraska
- Commercial Bank, Grant, Nebraska

Schedules covering suspensions between June 30 and December 31, 1930, and schedule covering the Ponca Valley State Bank, Monowi, which suspended June 27, 1930, are still in process of preparation, but should be completed within a short time.

Very truly yours,

ans 5-4-31
Enc.

A. M. McAdams
Assistant Federal Reserve Agent

421.11 (10)

April 28, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Receipt is acknowledged of your letter of April 23rd enclosing the forms giving for eight suspended Kansas banks a classification of their assets and the amount of liquidation accomplished in each classification. I presume you will receive shortly similar reports from Nebraska.

We have also received your letter of April 24th showing earnings and expense statistics of Wyoming state banks for the years 1929 and 1930.

I enjoyed very much my little visit in Kansas City and the opportunity of meeting you and the various other officials of the Bank. It proved to be a very pleasant as well as a very profitable visit. I was sorry not to have an opportunity to talk more with you regarding the Committee's various projects, but perhaps you will be coming to Washington some of these days.

Mr. Helm and Mr. McClure took me to a ball game on the Saturday afternoon I was there which turned out to be very interesting, and later Mr. Helm drove me through the residential development in the south of the city. I was delighted indeed to get to see that particular part of the city because it gave me an entirely different impression. It is indeed one of the most beautiful residential districts I think I have ever seen. It was very thoughtful of Mr. Helm to give me his afternoon and I hope you will express to him my sincere thanks and appreciation.

I have been reading with much interest the study by Westerfield but haven't finished it yet. He makes reference to numerous tables which apparently were submitted in a separate volume. I presume you haven't a copy of that volume.

Very truly yours,

R. H.

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

April 23, 1931

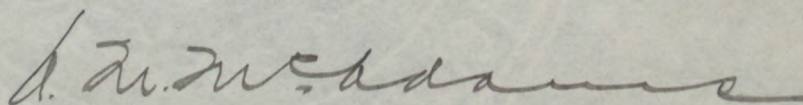
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. J. H. Riddle, Secretary

I am enclosing reports on forms which you left with us at the time of your recent visit, giving information showing a classification of assets and the amount of liquidation accomplished in each classification, on eight suspended Kansas banks.

You will observe that none of the reports gives any information as to the average duration of the various classes of loans. I presume that this omission indicates that the information was not set up in any way in the receivers' records.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

April 22, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Receipt is acknowledged of your letter of April 16th enclosing forms B-3, B-4, B-5, B-6, B-8, and B-9, for the states of Colorado, Kansas, New Mexico, Oklahoma and Wyoming. We note that you expect to forward to us shortly the information for Nebraska.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

CAH

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

April 16, 1931

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

O.K.
J.P.W.

The reports on Forms B-3, B-4, B-5, B-6, B-8,
and B-9, which were requested in your letters of
November 12 and 22, have been completed for the
States of Colorado, Kansas, New Mexico, Oklahoma,
and Wyoming, and are enclosed.

We have been advised by the Nebraska banking
department that the information from which we will
prepare the Nebraska reports should be in our hands
within a few days.

Very truly yours,

Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

April 10, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

The schedules covering state bank suspensions in Kansas, which you recently sent to us, have been checked against the records of the Division of Bank Operations. The latter show four additional suspensions for which no schedules were received. The names of these banks are listed on the attached sheet with their location and dates of closing and reopening. Will you kindly request the State Banking Department to supply schedules on them or to explain in each case why the bank is not properly classified as a suspension within the terms of the Committee's definition?

We shall be greatly obliged if you will express our appreciation to the Kansas Commissioner of Banking for his cooperation in this study.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

Enc.

ans. 4-29-31

Banks for which no suspension schedules were received.

<u>Name and location of bank</u>	<u>Closed</u>	<u>Reopened</u>
Farmers State Bank, Assaria	2-4-21	
Kanorado State Bank, Kanorado	4-4-21	
Peoples State Bank, Whitewater	11-7-21	11-15-21
Oswatomie State Bank, Oswatomie	*2-23-22	- - 22

* Closed again 4-19-23. Schedule received covering this suspension.

Office Correspondence

FEDERAL RESERVE BOARD

Date 4/9/31

To Mr. Horbett

Subject: State Bank Suspensions in 1930
Kansas - January 1, 1921 to December 31,

From Caskey

2-8495

Schedules received from Mr. Garlock covering state bank suspension in Kansas have been compared with Board's records records of bank suspensions with the following results.

SCHEDULES RECEIVED COVERING SUSPENSIONS FOR WHICH BOARD HAS NO RECORD

<u>Name and location of bank</u>	<u>Closed</u>	<u>Reopened</u>	<u>Class</u>
American Title & Trust Co.	Kansas City	12-6-26	Nonmem

BANKS FOR WHICH NO SCHEDULES WERE RECEIVED

Farmers State Bank	Assaria	2-4-21	Nonmem
Kanorado State Bank	Kanorado	4-4-21	"
Oswatomie State Bank	Oswatomie	*2-23-22	1922 "
Peoples State Bank	Whitewater	11-7-21	11-15-21 "

Willis includes

*Closed again 4-19-23 } *Schedule received on this suspension*

Difference in dates of suspension between Board's records and Questionnaires

	<u>Board's record</u>	<u>Questionnaire</u>
Goddard State Bank	Goddard	2-7-25
		12-5-25 Nonmem

To Mr Garlock
JGH 4/9/31

Office Correspondence

FEDERAL RESERVE BOARD

42,11 (10)

Date 4/8/31

To Mr. Horbett

Subject: State Bank Suspensions in

From Caskey

Colorado, 1921-1930.

2-8495

Schedules received from Mr. Garlock covering state bank suspensions in Colorado during period 1921-1930 inclusive, have been compared with Board's records of bank suspensions with following results.

BANKS FOR WHICH NO SCHEDULES WERE RECEIVED

<u>Name and location of bank</u>		<u>Closed</u>	<u>Reopened</u>	<u>Class</u>
Farmers State Bank	Bovina	10-21-21	*12-29-21	Nonmem
Costilla County Bank	San Acacio	2-12-24	#3-6-24	"
*Mt. Streeter State Bank	Mt. Streeter	9-24-21		"

*Closed again 12-4-23

#Closed again 9-14-27

To Mr Garlock
JJA 4/8/31

*** Voluntary Liquidation according to advisory letter of 5/29/31 from Kansas City*

421.11 (10)

April 7, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge with thanks your letter of March 31st enclosing a suspension schedule on the Loving State Bank, Loving, New Mexico. Inasmuch as this bank was forced to suspend operations because of impaired reserves, we feel that it qualifies as a suspension within the terms of the Committee's definition. We are, therefore, changing this case from a voluntary liquidation to a suspension in the reports on bank changes and shall be pleased to have you make the necessary adjustments in your records.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

421.11 (10)

April 7, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

The following reply is made to your two letters of March 31st concerning the suspension schedules from Kansas and Colorado which arrived under separate cover.

The schedules are now being checked against the records of the Division of Bank Operations and we shall advise you of any discrepancies which are revealed by this comparison.

Your inquiries addressed to the State Banking Commissioner of Colorado in the attempt to secure explanatory data on certain of the Colorado schedules appear to cover the matter adequately. As soon as we have had an opportunity to study the Colorado schedules more carefully, we shall let you know if there is anything additional we should like information about.

We appreciate greatly your comments in explanation of various peculiarities of the Kansas schedules; they will be very helpful to us in forming a correct understanding of the data reported and in drawing comparisons with other states.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

421.11 (10)

April 7, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Your letter of March 31st relative to the Farmers
State Bank of Jay Elm, Wyoming and the Farmers and Merchants
Bank of Hudson, Wyoming was duly received. We are making
adjustments in our records in accordance with your sugges-
tions.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

421.11 (10)

April 7, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We have received your letter of March 31st returning suspension schedules on seventeen Nebraska banks regarding which special inquiry was made. The memoranda submitted on these banks by Mr. Stoll appears to justify their classification as suspensions and we are, therefore, including all of them in our suspension statistics.

The Fidelity Trust Company of Fremont, Nebraska, has been eliminated from our records as a result of your explanation that it was a non-deposit company. We shall be obliged if you will advise the State Banking Department accordingly so that they will not go to further trouble in preparing a schedule on this case.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

421.11 (10)

April 7, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri.

Dear Mr. McAdams:

The schedules which you sent to us covering state bank suspensions in Colorado have been checked against the records of the Division of Bank Operations. The latter show three additional suspensions. The names of these banks are given on the attached sheet with their location and dates of closing and reopening. Will you kindly request the State Bank Commissioner to supply schedules on these banks or to explain in each case why the bank is not properly considered a suspension within the terms of the Committee's definition?

We have gone over the Colorado schedules carefully and reviewed your inquiries addressed to the State Banking Commissioner for the purpose of securing explanatory data on them. We have no further suggestions to make but feel much in need of the information which you requested in order to interpret the schedules intelligently and to draw comparisons with other states. Anything you can do to facilitate the early receipt of this information will be greatly appreciated, for it appears inadvisable to attempt any tabulation from the schedules until these discrepancies are explained.

We trust you will express our appreciation to the Colorado Commissioner for his cooperation in this study.

Yours very truly,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking

Enc.
RHG
rf

Name and location of bank

Closed

Reopened

Farmers State Bank	Bovina	10-21-21	12-29-21*
Mt. Streeter State Bank	Mt. Streeter	9-24-21	
Costilla County Bank	San Acacio	2-12-24	3- 6-24**

* Closed again 12-4-23. Schedule received on this suspension

** Closed again 9-14-27. Schedule received on this suspension

421. 11 (10)

April 4, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri.

Dear Mr. McAdams:

This will acknowledge with thanks your letters
of March 31st and the Forms A-1, A-2, A-3, and A-4, to
which they refer for the states of Wyoming, Oklahoma,
Kansas, and New Mexico. All of these were received
this morning.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

CBH/H.

421.11(10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS
ASST. FEDERAL RESERVE AGENT
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

April 2, 1931

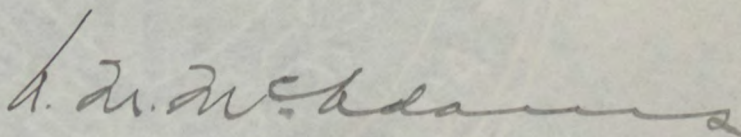
RECEIVED
APR -4 1931
DIVISION OF RESEARCH
AND STATISTICS.

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. C. B. Hammond

Thank you for your letter of March 26, and for the information submitted therewith, showing changes affecting New Mexico national banks as requested in our letter of March 14. We are glad to be able to favor the New Mexico banking department by giving it this information, and we greatly appreciate your courtesy in working it up for us.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

RECEIVED
FEDERAL RESERVE BANK
WASHINGTON
APR -4 1931 AM

421.11(10)

April 2, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Your letter of March 25 with reference to bank suspensions in Oklahoma was duly received. We have checked the schedules covering suspensions during the last six months of 1930 against the records of the Division of Bank Operations and find them in agreement. This, therefore, completes the suspension reports from Oklahoma for the entire period 1921-30 inclusive.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking

RHG-rf

421.11 (10)

**FEDERAL RESERVE BANK
OF
KANSAS CITY**

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
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N. R. OBERWORTMANN, ASST. CASHIER

March 31, 1931

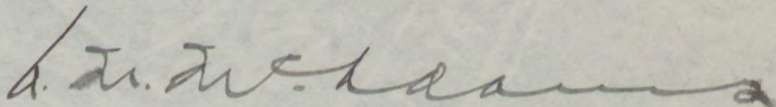
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen:

*o.k.
f.w.B.*

The Wyoming reports on Forms A-1, A-2, A-3,
and A-4, covering bank changes during the ten year
period ended December 31, 1930, are being expressed
to you today. The summaries on Forms A-2 and A-4
have been checked and found in agreement with other
records of changes.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 31, 1931

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen:

The Kansas reports on Forms A-1, A-2, A-3, and A-4, covering bank changes during the ten year period ended December 31, 1930, are being expressed to you today. The summaries on Forms A-2 and A-4 have been checked and found in agreement with other records of changes.

OK.
J.W.B.

your letter 11-15-30

The list of conversions from State bank to national bank shows the Fort Scott State Bank converted to the Fort Scott National Bank, in 1924. The State department records and our files show this conversion effected in October, 1923.

Note made of this.

Very truly yours,

Assistant Federal Reserve Agent

McA/H

421. 11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 31, 1931

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen:

The Oklahoma reports on Forms A-2 and A-4³, covering bank changes during the ten year period ended December 31, 1930, are being expressed to you today. There have been no private banks in Oklahoma within the ten years.

The summaries on Forms A-2 and A-4³ have been checked and found in agreement with other records of changes. You will observe that the number of conversions from national to State bank and from State to national bank, shown in the summary on Form A-2, vary somewhat from the lists of conversions submitted with your letter of November 15, 1930. The conversions not shown on your lists, all of which have been confirmed from our files, are as follows:

OK.
J.W.B.
Note made
of these

<u>Year</u>	<u>National Bank</u>	to	<u>State Bank</u>
1922	First Natl. Bank, Byron		First State Bank, Byron
1924	Security Natl. Bank, Ada		Security State Bank, Ada
	Security Natl. Bank, Blackwell		Security State Bank, Blackwell
1925	State Natl. Bank, Comanche		Security State Bank, Comanche

<u>Year</u>	<u>State Bank</u>	to	<u>National Bank</u>
1922	First State Bank, Waurika		Farmers Natl. Bank, Waurika
	Wellston State Bank, Wellston		Wellston Natl. Bank, Wellston
1924	American Exchange Bank, Sayre		American Natl. Bank, Sayre

Very truly yours,

Assistant Federal Reserve Agent

McA/H

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
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G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 31, 1931

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen:

*O.K.
J.W.B.*

New Mexico reports of bank changes, on Forms
A-1, A-2, A-3, and A-4, are being forwarded to you
today by express.

The summaries on Forms A-2 and A-4 are in agree-
ment with other reports submitted, except that the
1921 change affecting the Loving State Bank is treated
as a voluntary liquidation in the summary on Form A-2.
A suspension schedule on the Loving State Bank is being
forwarded to you today with another letter, which states
the circumstances in connection with this change and
suggests that if it is decided to treat the change as a
suspension, appropriate corrections should be made in
the summary.

Very truly yours,

Assistant Federal Reserve Agent

McA/h

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
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JOHN PHILLIPS, JR., ASST. CASHIER
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 31, 1931

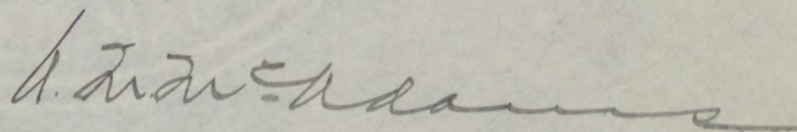
Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

Replying to your letter of March 2, relative to
variances between the records of the Division of Bank
Operations and suspension schedules for Wyoming, we
find that the Farmers State Bank of Jay Elm closed
and reopened on July 12, 1924, and July 26, 1924,
respectively, and we are enclosing a suspension schedule
on this bank.

The Farmers and Merchants Bank, Hudson, which the
records of the Division of Bank Operations show closed
on March 30, 1925, should not be classed as a suspension,
since at the time of discontinuing operations the bank
arranged to have its liabilities assumed by the First
National Bank of Lander, Wyoming, which at the same time
acquired certain of the assets of the Hudson bank.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

4-7-31
see 6-10-31

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MCADAMS
ASST FEDERAL RESERVE AGENT
AND SECRETARY

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March 31, 1931

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

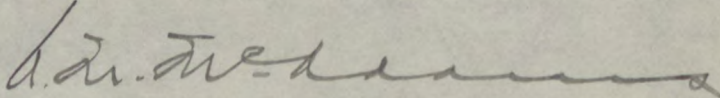
Gentlemen: Attention Mr. C. B. Hammond

Replying to your letter of March 24, we are forwarding today, by express, the Kansas bank suspension schedules, which have just been completed so far as appears to be practicable at this time, and we are also forwarding the schedules on Colorado suspensions, although we have not yet succeeded in getting certain information which we thought might be necessary to a proper understanding of many of the schedules.

We are also forwarding the reports of bank changes for Kansas, New Mexico, Oklahoma, and Wyoming, all of which have been checked and proved, so far as possible at this time. We have received no reports on bank changes from Colorado and Nebraska. Those from the latter State are in process of preparation, and the Colorado banking department continues to promise that these reports, as well as additional information on the suspended bank reports, will be furnished as soon as possible.

A part of the Nebraska reports returned to us with Mr. Riddle's letter of February 17 are being returned to you today, with an explanatory letter. The schedules on reopened banks which were returned have not yet been completed to show the actual dollar amounts of loss to depositors of each bank, but the department advises that it is endeavoring to complete the schedules in this respect.

Very truly yours,



McA/H

Assistant Federal Reserve Agent

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

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March 31, 1931

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

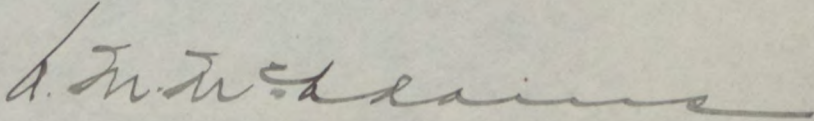
Gentlemen:

The suspension schedules prepared by the Colorado banking department, covering suspensions of Colorado State banks during the ten year period ended December 31, 1930, are being expressed to you today.

We have held most of these schedules for some time, in the expectation of securing some additional information which we thought would be helpful to the Committee. The schedules as now prepared will no doubt be of some value in your study, and in the meantime we shall continue our requests for a reply to our letter of November 5, 1930, to the banking department, copy of which is enclosed.

We shall be glad to have your advice as to information desired which is not asked for in our letter, and also please let us know if any of the information which we requested from the department is not essential to your study.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

ans 4-7-31

421.11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

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March 31, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

The following partial reply is made to your letter of February 17, in which you call attention to various apparent inconsistencies in the schedules of suspended Nebraska State banks:

The 17 reports which you returned, bearing notations indicating some disposition of the respective banks other than suspension, are returned herewith, together with memoranda prepared by the Nebraska banking department to show the circumstances in each case. If you should decide to treat any of these cases as reopenings or consolidations, instead of suspensions, please inform us, so that our records may be corrected accordingly.

The schedules which you returned to us covering reopened banks are still in the hands of the Nebraska department, which is endeavoring to complete them to show the dollar amounts of loss to depositors, in lieu of the percentage of write-down on unsecured deposits.

As to the 18 banks listed in your letter, in which suspension dates listed on the schedules vary from suspension dates shown in the records of the Division of Bank Operations, the department advises as follows:

Date of suspension of the South Fork State Bank, Chambers, Nebraska, was November 23, 1922. The date of November 22, 1923, shown on the schedule, was erroneous. The Commercial Bank, Grant, Nebraska, was closed on April 18, 1928, and was reopened on July 24, 1929. The records of the department do not indicate that this bank was reopened on May 2, 1929, as shown by the records of the Division of Bank Operations.

ans. 4-29-31
4-7-31

Mr. J. H. R. 2 3-31-31

With the exception of the two banks named above, the closing dates shown by the records of the Division of Bank Operations are correct, the closing dates shown on the schedules being in error in that they are the dates on which receivers were appointed, instead of dates the respective banks were finally closed to the public.

With reference to the 5 banks listed in your letter, shown as suspensions by the Division of Bank Operations but for which no suspension schedules were received, the department advises as follows:

The Brownville State Bank and the Farmers State Bank, Crawford, were closed temporarily on April 12, 1921, and May 4, 1922, respectively, and were reorganized by the stockholders. The reorganizations were not handled through the department, and there are no records showing either suspension or reorganization. We are requesting suspension schedules on the two banks, completed so far as may be possible.

Disqualified

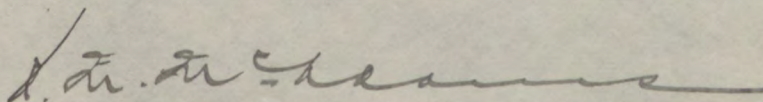
The Fidelity Trust Company, Fremont, Nebraska, closed on October 31, 1921, instead of on the date shown by the Division of Bank Operations. Trust companies in Nebraska are not permitted to accept deposits, and it is therefore possible that you may not wish to use this suspension. The department is endeavoring to prepare a suspension schedule, however, from such information as can be secured from the court which handled the trust company liquidation.

Schedule received showing suspension as of 1-7-29

The American State Bank, Scottsbluff, was taken over by the Guarantee Fund Commission on July 16, 1927, and operated as a going bank until January 7, 1929. The schedule furnished on this case appears to be correct as to date of suspension.

The Ponca Valley State Bank, Monowi, closed on June 27, 1930, and a suspension schedule on this bank will be submitted as soon as possible.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

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March 31, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

Replying to your letter of February 21, relative to the Loving State Bank, Loving, New Mexico, which the records of the Division of Bank Operations show closed on March 3, 1921, we are advised as follows by the New Mexico banking department:

"Our records indicate that the bank was placed in charge of a deputy State bank examiner on March 10, 1921, on account of impaired reserves. The bank was later placed in voluntary liquidation and on March 30, 1922, the National Bank of Carlsbad was designated as liquidating agent. Liquidation was completed on April 18, 1922, at which time certificate of cancellation was issued by the State Corporation Commission."

The banking department has furnished the enclosed suspension schedule on this bank.

The State banking department treats this change as a voluntary liquidation in the summary of changes since 1920 included in the department's annual report for 1930, and has treated it as a voluntary liquidation in the reports of changes prepared for us on Forms A-3 and A-2, which are being forwarded to your Committee today. If you deem it advisable to treat this case as a suspension, please make the appropriate correction in the New Mexico summary on Form A-2 and advise us so that we can change our record accordingly.

In reply to the inquiry as to the statutory priority of liens and the type or types of deposits reported on the suspension schedules as secured, preferred, and general claims, the New Mexico banking department advises as follows:

"New Mexico has no statutes on the subject. I am enclosing for your information syllabuses by the court in four cases, which I trust will give you the information you desire. These are the only cases in point which have come up before the Supreme Court of this State. Copies of the syllabuses referred to are enclosed."

Very truly yours,

A. M. McAdams
Assistant Federal Reserve Agent

McA/H

Ans 4-7-31

STATE ex rel. CITY OF LAS VEGAS v.
SANDOVAL, County Treasurer.

(277 Pac. 31)

Syllabus By The Court

1. Mandamus, to compel county treasurer to make good a check, given against a sufficient deposit, to city treasurer, for city tax moneys, which check city treasurer had presented for deposit at drawee bank and bank had accepted and credited in pass-book, held:

- (1) Relation of debtor and creditor was established between bank and city treasurer.
- (2) The check was in legal effect paid and the original obligation satisfied.
- (3) Failure of bank to credit city treasurer's and debit county treasurer's accounts, its insolvency a week later, and subsequent return of check and deposit slip to county treasurer by examiner in charge, did not alter legal relations stated in (1) and (2), nor restore liability of county treasurer.
- (4) County treasurer not estopped to deny liability by judgment obtained by county for preferential payment of its deposit without deduction for the check, satisfaction of the judgment not being shown.

WALKER & GILBERT v. FIRST STATE BANK OF
ALAMOGORDO, N. M.

THOMASON v. SAME.
(273 Pac. 764)

Syllabus By The Court

1. Where moneys are found in the vaults of an insolvent bank, the depositor of a trust fund in the bank is entitled to a preferred claim for the same by reason of the presumption that the trustee, the bank, has retained the funds for the purpose of satisfying the trust.
2. Where several beneficiaries have contributed to a trust fund in a bank, the presumption is, in case it is insufficient to pay all, that the funds were paid out by the bank in the order in which they were paid into the fund.

SINCLAIR REFINING CO. v. TIERNEY.

(270 Pac. 792)

Syllabus By The Court

1. Where a note, draft, or check is forwarded to a bank, with directions to collect and remit to sender, relation of principal and agent and not that of debtor and creditor is created.
2. Funds received by a collecting bank, as agent for the sender of the collection item, are impressed with a trust in favor of the owner of the item collected, even though the item is collected by check drawn on it, or the item is a check drawn on collecting bank and is collected by charging against drawer's account.

3. The trust impressed on funds collected by a bank, as agent for the sender of the item by means of a check drawn on itself or by charging check drawn on itself against account of drawer, follows the funds collected into the hands of receiver if (1) item was forwarded for collection and remittance; (2) drawer had sufficient balance; (3) bank had sufficient funds to honor check; and (4) bank at time receiver took charge had sufficient funds to pay the amount collected.

(STATE v. MCKINLEY COUNTY BANK. In re ROBB
et al.)

(252 Pac. 980)

Syllabus By The Court.

1. Whether a bank, as to the proceeds of paper held by it for collection, is a debtor or a trustee, depends upon the agreement as to the disposition of the proceeds.
2. Instructions to return the proceeds of a collection, according to banking custom of which judicial notice is taken, authorize the bank, on remitting by draft, to appropriate the money collected and treat it as its own.
3. The payee of a draft, drawn and remitted, pursuant to instructions, in return of the proceeds of a collection, is a creditor not entitled to preference in the assets or cash resources of an insolvent bank in the hands of its receiver.
4. A deposit made in an insolvent bank, whose officers know of its insolvency and have fixed the time for its suspension, is received in fraud, and may be followed as a trust.
5. It is not necessary to the impressment of the trust that the deposit made as in 4, supra, be identified as a specific thing if it can be traced to the bank's cash resources, since there is a presumption that payments from such cash resources, after receipt of the deposit, were from the bank's own funds, and not from those held in trust.
6. A deposit made as in 4, supra, is proper basis of a "preference," when it appears that the cash resources in the bank, from the time of such deposit, and which came into the hands of the receiver, exceeded the amount thereof.

421.11 (10)

FEDERAL RESERVE BANK
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N. R. OBERWORTMANN, ASST. CASHIER

March 31, 1931

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen:

Suspension schedules for Kansas, for the ten year period ended December 31, 1930, as prepared by the Kansas banking department and as corrected and amended after a good deal of correspondence with the department, are being expressed to you today. The following comments may be of benefit in your study of the reports:

The department advised that it was not practical to attempt to state the amounts of offsets allowed.

Many of the reports show substantial amounts on the line for "other collections." The department advises that these amounts include collections from fidelity bonds, sale of charged off assets, rents, oil royalties, and in a good many cases, the proceeds from sale of the bank's own assets pledged as collateral to bills payable or rediscounts. The department states that it will be possible to furnish a description of these items for each report, but that such a description will take a good deal of time.

In explanation of the fact that a great many of the reports show total claims allowed in an amount greater than total deposits, the department states that the amounts shown as claims allowed include such items as outstanding drafts and cashiers' checks, bills payable at the time of closing, covering supplies, unpaid attorneys' fees, etc., and "in many instances, defalcations on the part of the managing officer." As we understand it, the defalcations referred to, which were allowed as claims, were principally cases where an officer of the bank appropriated bonds placed with the bank for safekeeping, or covered money shortages by reduction of customers' deposit balances.

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The department states that it would be possible, from the records, to give the amounts of claims allowed against deposits only, but that this would require a good deal of time.

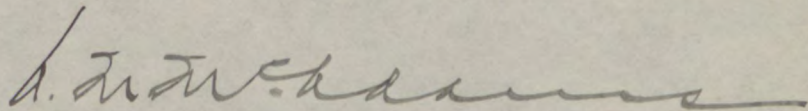
In answer to our inquiry as to the statutory priority of lien of the various types of deposits, made pursuant to Mr. Riddle's letter of December 12, 1930, the department advises as follows:

"In our State, with the exception of United States Government funds, no deposit has priority over another. To be preferred they must come under the general law of the State governing preferential claims. In securing a preference, first a trust relationship must be established; second, the transaction must have augmented the bank's assets; and third, this augmentation in some form must reach the hands of the Receiver. It is our judgment that if any one of the essential elements mentioned above is lacking, it would defeat a preference.

"Secured deposits are those for which assets of the bank have been pledged for payment. Preferred deposits are United States Government funds of every nature on deposit under Federal statutes and any deposit coming under the law as above set forth. General claims are allowed on all other deposits of every kind and nature."

The Kansas department expresses its willingness to cooperate with you fully in supplying any additional information which may be needed in your study of the reports. We shall, of course, be glad to endeavor to secure any additional data which you may desire.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11 (10)

March 27, 1931

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

At the request of the Committee on Branch, Group and Chain Banking the Federal Reserve Bank of Cleveland recently made a study of the competition which banks in Ohio have to meet from organizations, such as finance companies, acceptance corporations, etc., which are not banks in the proper sense of the term, but yet carry on banking functions. Ohio was chosen first for the reason that building and loan association competition with banks was known to be especially severe in that state. The pertinence of the subject lies in the fact that any intensification of competition can be expected to contribute to the difficulties of the small unit bank and to encourage greater banking concentrations as manifested in branch and group banking and in consolidation of small concerns into larger ones with more diversified functions. It is not only direct competition between banks themselves that is significant, therefore, but competition between banks and organizations not recognized as banks.

The facts in general as to the latter type of competition in Ohio are indicated in the following quotation from the Cleveland Reserve Bank's survey.

"Building and loan and savings and loan associations appear to be the principal non-banking competitors of the banks whether the competition be for deposits or for loans. Considering only the competition for deposits the chief competitors of the banks appear to be the United States Government through its postal savings system and the investment houses through the sale of securities generally. Other kinds of deposit competition are noted but they hardly deserve more than passing mention.

"With respect to the competition for loans there are five other agencies (in addition to the building and loan and savings and loan associations) which compete with the banks. These five agencies are the finance companies, the insurance companies, the federal farm land banks and joint stock land banks, the investment houses and the chattel and salary loan companies."

Mr. M. L. McClure, #2

March 27, 1931

It is to be expected that similar conditions prevail to a greater or less degree in other districts, and with that in mind the Committee is making the request that you prepare for it a report upon the same subject covering your district. It may well be that some of the competition found in Ohio is not found in your district and that, on the other hand, you have still other types of competition not found there. The report, we think, should include a description of the comparative importance of the different types of non-banking competition, statistics of the growth of non-banking competitors as compared with banks, a summary of the principal provisions of law governing these non-banking organizations, and, if practicable, some statements from bankers as to the reality and seriousness of the competition.

Please let us know if you will not undertake the study as described.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking

H

421.11(10)

March 26, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

Enclosed you will find the material on national bank changes in the state of New Mexico requested in your letter of March 14th and promised in our letter of March 18th in reply thereto. The material is prepared in two different forms, first that covering bank changes from 1870 through the year 1920, which we have arranged in tabular form, and second that covering changes from 1920 to the present, which we have presented on the forms devised for our own study of bank changes. These forms, of course, were not applicable to the period before 1920. For the earlier period the sources of information are naturally not so satisfactory as they are for the later period. Consequently it is impossible to tell with certainty the exact nature of the bank changes that occurred. We have attempted, therefore, to do no more than to indicate for each year the name and location of the banks organized and/or the banks discontinued. Some of these discontinuances are suspensions, some are voluntary liquidations, some are consolidations, and some are presumably conversions. As you know, the Comptroller does not take cognizance of consolidations with state banks, but classifies them ordinarily as liquidations.

No doubt the New Mexico bank examiner will be able from his own records to make many corrections in the rough classification of changes that we have had to follow. It is also probable that he will be able to correct some of the dates. Reports in the past have not covered the calendar year, and for that reason it is impossible in many cases to tell whether a given change occurred in one year or in the year succeeding it. We regret that the condition of the records makes it impossible to account for changes in the earlier years more satisfactorily, but trust that what we are submitting will nevertheless be of use.

We learn from an editorial in a recent issue of the American Banker that the bank changes in New Mexico for the ten year period covered by our study have already been published by the New Mexico Banking Examiner. The

Mr. A. M. McAdams, #2

March 26, 1931.

figures that we asked him for on the state banks have, however, not been reported to us. It is gratifying to see that the Examiner has taken so much interest in this study initiated by us, but we hope that his interest will not interfere with forwarding the information we are waiting for.

Very truly yours,

C. B. Hammond
For the Committee on Branch,
Group and Chain Banking.

*Enc.

* See Subject File on Bank Charges.

H
H

421.11 (10)

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N. R. OBERWORTMANN, ASST. CASHIER

March 26, 1931

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We have received your letters of March 20 and 23,
and shall be glad to make the analyses requested.

It will not be possible for us to supply the data
to be taken from reports of earnings, expenses, and
dividends for periods prior to the last half of 1919,
some of our old records in storage having been water soaked
and destroyed, but no doubt you can arrange to use the
files of the Comptroller of the Currency for completion,
in this respect, of the analyses of those cases on which
our record does not extend for a full five years prior to
suspension.

Very truly yours,

M. L. McClure
Federal Reserve Agent

M/H

421.11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

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N. R. OBERWORTMANN, ASST. CASHIER

March 25, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Replying to your letter of February 13, relating to differences between the schedules on suspended banks as prepared by the Oklahoma banking department and the records of bank suspensions in the Division of Bank Operations, we have to advise as follows:

The Oklahoma department finds no record of the closing of the First State Bank of Blanco, and it has no record of dates or circumstances in connection with the closing of the First State Bank of Bliss and the Bank of Commerce, Sulphur, on November 12, 1921, and November 3, 1921, respectively, although it does find memoranda in the files indicating that these banks closed on or about those dates. Our files contain information confirming the records of the Division of Bank Operations as to the closing of the three banks, and also showing the approximate dates of reopening. With such assistance as the Oklahoma banking department has been able to give, we have prepared suspension schedules on the three banks, and are enclosing them herewith.

The State banking department advises that it has no record of the Octavia State Bank, Octavia, Oklahoma, ever having been in existence. We have nothing on Octavia in our files, but the Rand-McNally bankers directory shows it, in 1920 and 1921, and also at present, as a non-bank town, accessible through Hatfield, Arkansas.

The record in the Division of Bank Operations, showing the First State Bank, Miami, closed on March 23, 1923, is apparently in error. The department states that this bank closed on December 6, 1922, and reopened on December 7, 1922, as the Security State Bank of Miami. Our files are in agreement with this statement.

The Security State Bank, Hoffman, is classified by the State department as a voluntary liquidation as of December 1, 1924. The record in our files is not inconsistent with this classification, although the advice which we received stated "closed and being liquidated by First National Bank of Muskogee."

ans 4-2-31

Confirmed by
Directory

Confirmed by
Directory
reports

Jan. 1925 Dir.
Reports —
liquidated
Dec 23, 1924

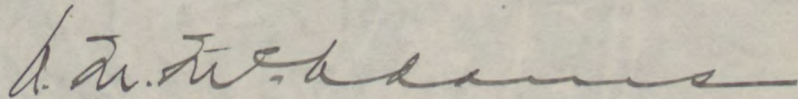
Mr. J. H. R. 2 3-25-31

The schedule furnished on the closing of the Farmers Exchange Bank of Lindsay, Oklahoma, should be corrected to show the date of suspension as April 25, 1924, instead of April 24, 1923.

The State department advises that the following corrections should be made in the schedule now in your hands, covering closing of the Keystone State Bank: Dividends paid from collections on total claims should read \$47,477.69, instead of \$57,477.69, and percentage of payments to claims allowed should read 73.3 per cent instead of 88.77 per cent.

We are enclosing reports furnished by the State department covering those suspensions which occurred during the last half of 1930 and for which reports had not previously been furnished, and a report covering the Security State Bank, Stilwell, which suspended September 16, 1930, to be substituted for the incomplete report now in your hands.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

March 24, 1931

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

In the absence of Mr. Riddle, I am writing to inquire when we may expect schedules on bank suspensions in Kansas and Colorado. The last information we have from you relative to the progress of work in these states is contained in your letter of December 6th saying that while preliminary reports had already been received it had proven expedient to secure additional and revised data in many instances.

We do not wish to hurry you unduly, but we have reached the point where additional schedules are essential to the progress of our work here. Any means, therefore, which you can take to facilitate the early receipt of schedules from these states will be greatly appreciated.

We should also like to know when the Nebraska schedules which were returned to you with our letter of February 17th will again be available to us.

Very truly yours,

C. B. Hammond
for the Committee on Branch,
Group and Chain Banking

ans 3-31-31

421. 11 (10)

March 23, 1931.

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

With reference to our letter of March 20th regarding the analysis of twenty suspended banks in your district, we should like to be able to make a comparison between these suspended banks and a small number of successful banks which continued in operation.

We suggest, therefore, you select five successful banks in your district which are operating in those territories where numerous failures have occurred and for these five banks prepare Form F covering the period 1920 to 1930. The same instructions apply in this case as in the preparation of Form F for suspended institutions.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

R
H

421.11/10

March 23, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We have received your letter of March 19th
enclosing bank earnings reports for each of the years
1926-1929, for each national bank in your district which
suspended during the year 1930.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H

421. 11(10)

March 20, 1931.

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking has been engaged for some time in working out a program for collecting definite information as to the causes of bank failures. It is obvious that such a study is an essential part of the Committee's work and is necessary in order to properly assess the various forces back of the changes which are occurring in our banking structure.

One line of approach which has now been agreed upon is to study the history of a limited number of suspended institutions in greater detail than is possible for all suspensions. The principal source of information is, of course, the examination reports. Twenty suspended banks in your district have been selected at random, without regard to location, size, etc., in the hope that they may be fairly representative of suspensions generally in that area. These twenty banks are shown on the attached list. The information desired consists of comments of the examiners and certain statistical data. The form in which the comments of examiners should be drawn up is shown in the attached Exhibits 12/1 and 12/2, accompanied with instructions. As an aid to interpretation these comments are interspersed with certain figures showing in a general way the condition of the bank at the time of each examination. Certain other data are also called for, such as population figures and earnings. These are covered in the mimeographed instructions.

In addition to the examiners' comments and accompanying data, as outlined above, the detailed statistical data in the examiners' reports should be taken off on Form F. A copy of this form and comments regarding its preparation are enclosed, and a supply of the forms is being forwarded to you under separate cover.

This information regarding the history of each bank prior to suspension should be supplemented, if possible, by any facts which may be collected regarding the community in which it is located. These should include

Mr. M. L. McClure #2

March 20, 1931.

changes in local industries, road developments and any other factors which may have affected the bank's business. It might prove very profitable in a few cases to make a brief economic survey of the community, but the Committee will leave it entirely to your discretion as to whether such surveys are feasible.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

Enc.

$\frac{R}{H}$

FEDERAL RESERVE BANK OF KANSAS CITY

Suspended Banks to be Analyzed

1. National Bank of..... Hastings, Oklahoma
2. Merchants and Planters National Bank.. Ada, Oklahoma
3. First National..... Grove, Oklahoma
4. First National..... Boise City, Oklahoma
5. First National Bank in..... Kiefer, Oklahoma
6. First National in..... Sallisaw, Oklahoma
7. Central National..... Bartlesville, Oklahoma
8. First National Bank..... Grandfield, Oklahoma
9. First National..... Poteau, Oklahoma
10. First National..... Muldrow, Oklahoma
11. First National..... Altus, Oklahoma
12. Union National Bank..... Beloit, Kansas
13. Commercial National..... Independence, Kansas
14. First National of..... Fremont, Nebraska
15. Laurel National..... Laurel, Nebraska
16. First National..... Humphrey, Nebraska
17. First National Bank..... Hemingford, Nebraska
18. First National..... University Place, Nebraska
19. First National Bank..... Manville, Wyoming
20. First National..... Lafayette, Colorado

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS
ASST FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 19, 1931

Mr. Blather

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Pursuant to the request made in your letter of February 16, we are enclosing bank earnings reports for each of the years 1926-1929, for each national bank in our district which suspended during the year 1930.

Very truly yours,

A. M. McAdams

Assistant Federal Reserve Agent

McA/H
Enc.

421.11 (10)

March 18, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

It will be entirely possible for us to furnish you with a record of national bank changes in the State of New Mexico so that you may comply with the request of the State Bank Examiner which you conveyed to us in your letter of March 14th. It will be a few days before we get these changes ready, however. Our understanding is that there is no immediate need for them.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

H/H

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. McADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
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JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 14, 1931

RECEIVED
MAR 16 1931
DIVISION OF RESEARCH
AND STATISTICS.

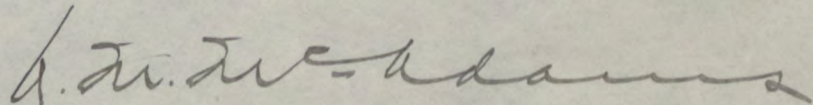
Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

The State bank examiner of New Mexico has asked us whether it will be possible for him to obtain a list of all national bank changes in the State of New Mexico from the time of inauguration of the National Bank Act to date, the information to include names and locations of banks and the nature and dates of all changes. The information is desired to complete the records in the State examiner's office.

We are of course desirous of complying with this request if it is possible to do so, particularly in view of the fact that we have occasion from time to time to ask the State examiner's office for favors of various kinds. I am writing you instead of taking the matter up direct with the Comptroller's office, thinking that you may be able to advise me whether information of this kind has already been compiled or whether it can be compiled from the Comptroller's records without an unreasonable amount of labor.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421 11(10)

March 14, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We acknowledge receipt of average deviations computed with respect to Tables IV-e and V-e. For the present at least it will be unnecessary to make the computation for all groups.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421. 11/10

March 13, 1931.

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

?
In reviewing the material which we have gathered to gather on group banking, we note from your letter of October 20th last that the United States Bank Shares, Inc., were preparing the information for which we asked. We are wondering if a reminder from you at this time would bring action on their part. We are now preparing the chapter on this phase of our report and would like to have all the information in as early as possible.

If there have been any general developments in the field of group banking in your district in recent months that you think would be helpful for us to know, we should appreciate your writing us concerning them.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

HU

421.11 (10)

March 13, 1931.

Mr. A. H. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri.

Dear Mr. McAdams:

Thank you for your letter of March 11th enclosing
a copy of the schedule of service charges which was recently
prepared by the service charge committee of the Nebraska
Bankers' Association.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

1834

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. McADAMS
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 11, 1931

Mr. Blather

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

I am enclosing schedules showing the average deviation from the 1929 average ratios previously reported for the several groupings of national banks in this district provided for on Forms IV-e and V-e, the schedules being complete except as to average deviation from average ratios shown for "all groups," which we have not yet calculated.

Please advise whether you also wish to use average deviations from average ratios for all groups, in which case we shall be glad to make the calculations and forward the information as soon as possible.

Very truly yours,

A. M. McAdams

Assistant Federal Reserve Agent

MCA/H
Enc.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
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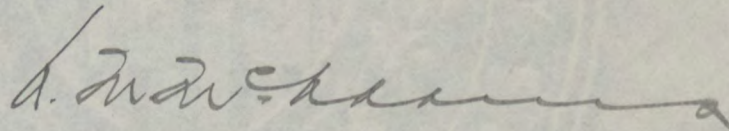
March 11, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

Complying with the request made in your letter of March 5, we are enclosing a copy of the schedule of service charges which was recently prepared by the service charge committee of the Nebraska Bankers' Association.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.



421.11 (10)

March 5, 1931.

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

Would it be possible for you to secure for us
a copy of the schedule of service charges which was recent-
ly prepared by the Nebraska Bankers Association through its
service charge committee?

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

R:H

421.11 (10)

March 5, 1931.

Mr. A. M. McAdams
Assistant Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McAdams:

We have your letter of March 2nd with reference to the Hartford National Bank of Hartford, Kansas.

You are correct, according to the definitions of the Committee, in reporting the transaction outlined in your letter as the primary organization of a state bank. We realize, though, that the alternative treatment which you propose has considerable merit and so far as future cases of similar character are concerned the Board may find it desirable to alter its present practice. However, in order to maintain consistency in our records of bank changes during the past ten years, it seems necessary to adhere to the definitions as outlined.

We should appreciate your entering the pertinent facts in this case and any others of the same type on the form on which the change is reported.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

$\frac{H}{H}$

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
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A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
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W. J. BAILEY, GOVERNOR
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 2, 1931

RECEIVED
MAR -4 1931
DIVISION OF RESEARCH
AND STATISTICS.

Mr. Garlock

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

The Hartford National Bank, Hartford, Kansas, was declared insolvent on October 11, 1930, and on February 25, 1931, it was restored to solvency and turned back to its directors, who immediately sold it to the newly organized Hartford State Bank, which opened for business on February 27.

As we understand the instructions in the Committee's memorandum of November 5, 1930, subject "Bank Changes - Definition of Terms," we should show the foregoing transaction in our statistical record of bank changes only as the primary organization of a state bank.

Since the suspended national bank was restored to solvency and turned back to its directors, it occurs to us that our record of the change would be more nearly accurate if we should show two changes, (1) a reopening of the national bank and (2) conversion of the national bank to a state institution.

We shall be glad to have your advice in this matter as soon as may be convenient.

Very truly yours,

A. M. Meadams

Assistant Federal Reserve Agent

MCA/H'

RECEIVED



MAR -4 1931

421.11 (10)

March 2, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank,
Kansas City, Missouri.

Dear Mr. McAdams:

We acknowledge with thanks your letter of February 25th enclosing suspension schedules for Wyoming banks.

According to records of the Division of Bank Operations, there were two other suspensions in Wyoming for which no schedules were supplied. The names of these banks not accounted for are given below with their location and dates of closing.

<u>Name and location</u>	<u>Closed</u>	<u>Reopened</u>
Farmers State Bank, Jay Elm	7-12-1924	7-26-1924
Farmers & Merchants Bank, Hudson	3-30-1925	

Will you kindly ask the banking commissioner of Wyoming to investigate these cases and supply schedules on them if they are properly considered suspensions within the terms of our definition?

We shall be greatly obliged if you will express our appreciation to the banking commissioner of Wyoming for providing us with this information on bank suspensions in his state. It is regrettable that more complete data could not be furnished on the suspensions prior to 1925, but we realize that the scattered records on these banks made it impossible.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

ans 3-31-31

Jan. 1924
Directory
shows
State Bank of
Lovell as
formerly the
Bank of Lovell

Mr. Horbett:

Questionnaires covering state bank suspensions
in Wyoming from January 1, 1921 to December 31, 1930, appear
to be in agreement with our records with the following ex-
ceptions:

3-2-31

Questionnaires covering suspensions for which Board has no record

Stockgrowers State Bank	Saratoga	1-25-21	2-28-21	N-M
Bank of Lovell	Lovell	12-31-23		N-M
Shoshoni State Bank	Shoshoni	8-29-25		N-M
Amerretti-Wolty-Helmick & Company	Dubois	11-25-27		Private

No report

Jan 1926 directory
reports bank
closed for liquida-
tion

Banks for which no questionnaires were received

Farmers State Bank	Jay Em	7-12-24	7-26-24	N-M
Farmers & Merchants Bank	Hudson	*3-30-25		

July 1924 Directory
reports bank
closed

July 1925 Directory reports
bank closed 3/27/25

*Under the heading "Cause of suspension" is given "Voluntary liquidation"

Mr. Garlock
This case, it seems to
me should not have been
included in our figures of
suspensions, but as you have
one other case to take up you
probably ought to find out what you
can about this case - unless the
"Bank changes" material has
already come in.

JGH
3/2/31

$$\begin{array}{r} 46 \\ 4 \\ \hline 50 \end{array}$$

$$\begin{array}{r} 49 \\ 2 \\ \hline 51 \end{array}$$

421.11 (10)

File date Mar 1, 1931

BANK SUSPENSIONS SINCE JANUARY 1, 1921
Wyoming State Banks

Name of Bank

Date Suspended

Reopenings

1921

Stockgrowers State Bank, Saratoga
Garland State Bank, Garland
Moorcroft Bank, Moorcroft
Citizens State Bank, Gillette
Guernsey State Bank, Guernsey
Citizens State Bank of Upton, Upton
Peoples Bank, Moorcroft

1-25 -
5-9
8-13
8-22
9-17
10-27
10-29

2-28-21

(1)

7

1922

Powder River State Bank, Kaycee
Big Horn County, Basin
Bank of Fraunie, Fraunie
First State Bank, Kane

1-20
5-15
10-9
12-19

4

1923

Platte County Bank, Wheatland
Wyoming State Bank, Lusk
Bank of Gillette, Gillette
Ranchester State Bank, Ranchester
Stockgrowers Bank, Dixon
Basin State Bank, Basin
Stockmen's State Bank, Medicine Bow
Bank of Lovell, Lovell

2-16
3-1
3-15 -
6-16 -
8-6
9-26 -
11-27
12-31

(3)

8-2-23

9-13-23

12-6-23

7

Use as 1924 susp. Apparently operated
to close of bus 12-31-23

1924

Commercial Bank & Trust Company, Douglas
Weston County Bank, Newcastle
Glendo State Bank, Glendo
Bank of Van Tassell, Van Tassell
Bank of Glenrock, Glenrock
First State Bank, Greybull
Clearmont State Bank, Clearmont
Citizens State Bank, Sheridan
Osage State Bank, Osage

1-19
2-2
2-4 -
2-7
2-15
4-10 -
4-23
5-15
5-26

(3)

4-9-24

11-26-24

23

*Reopened later in 1924
as Union & Bk.*

	<u>1924</u>
Thermopolis State Bank, Thermopolis	6-10
Manderson State Bank, Manderson	6-24
Bank of Keeline, Keeline	7-9
Bank of Upton, Upton	7-9 -
Hillsdale State Bank, Hillsdale	7-9
Bank of Carpenter, Carpenter	7-10
Cowley State Bank, Cowley	7-10
Johnson County Bank, Buffalo	9-10
First State Bank, Riverton	10-28
First State Bank, Kaycee	11-24
Cheyenne State Bank, Cheyenne	12-10
Commercial State Bank, Guernsey	12-10
Lingle State Bank, Lingle	12-10

	<u>1925</u>
Bank of Salt Creek, Lavoye	1-17
First State Bank, Baggs	1-27
Shoshoni State Bank, Shoshoni	8-29

	<u>1926</u>
Citizens State Bank, Lost Springs	1-13
Bank of Glendo, Glendo	1-20
Pine Bluffs State Bank, Pine Bluffs	5-18

	<u>1927</u>
First State Bank, Greybull	4-26
Amoretti-Welty-Helmer & Co., Dubois	11-25

	<u>1929</u>
Basin State Bank, Basin	5-6

421.11(10)

February 23, 1931

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri

Dear Mr. McClure:

In connection with the earnings project of this Committee, we are anxious to be informed as to the existence of statistics concerning the income accounts of state banks. Our best information at present is that those state banking departments that have collected statistics covering the income accounts of state banks are very exceptional. One important exception of which we know is that of the Kansas department, the reports of which have contained data annually for the thirty years of the century in which we are interested. For the state banks of Kansas, information is furnished which will allow for the computation of the annual rate of gross and net earnings on invested capital, the rate of expenditures for interest on deposits, salaries and wages, other expenses, and losses. In other words, there is available over a long period of time a rather full consolidated annual income account of all the state banks of Kansas.

We should be glad if you will make a check of all the states whose capitals lie within your district and describe to us what material, if any, exists in each with respect to items of consolidated income accounts for all or part of the state banks. Please tell us at the same time in what sources such material may be found.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking

B
F

421.11 (10)

State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25, 1931

GLENROCK
Community State Bank

Memorandum:

With reference to the Community State Bank, Glenrock, this bank was operated for a period of time by the Guarantee Fund Commission after it was closed on March 28th, 1930.

Later Clarence G. Bliss was named as receiver of the institution and the bank has since been liquidated by the receiver and its affairs closed up. This was not a voluntary liquidation.

O. G. Stoll

State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

BANK OF BURCHARD

Memorandum:

With reference to the Bank of Burchard this bank was closed September 20th, 1929, and operated by the Guarantee Fund Commission for a considerable period of time. It was thought that the bank could be paid out by the Commission without loss to the depositors or any advance from the Guarantee Fund, but it was finally found that this was impossible. A receiver was appointed for the bank, and its affairs have been liquidated and the receivership closed.

C. R. L. Lee

State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25, 1931

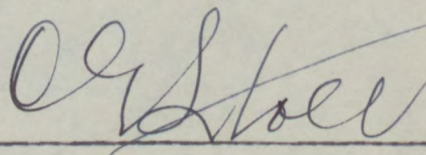
STRATTON
Citizens State Bank

Memorandum:

In the case of the Citizens State Bank, Stratton, Nebraska, this bank was closed May 22, 1926, and liquidated through a receiver, Mr. Van E. Peterson.

The State Bank of Stratton was a newly chartered institution and was not a re-organization or a merger.

The Citizens State Bank has been liquidated by a receiver and its affairs have been closed or are about to be closed up.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25, 1931

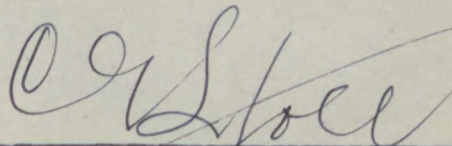
RANDOLPH
Farmers State Bank

Memorandum:

In the case of the Farmers State Bank, Randolph, Nebraska, this bank was closed February 24, 1926, and placed in the hands of Rollie W. Ley as receiver.

A contract was entered into with the Farmers and Merchants Bank, Randolph, a newly chartered bank, and it assumed the liabilities of the Farmers State Bank and purchased certain of the assets. The difference between the value of the assets and the amount of the liabilities assumed being paid out of the Depositors' Guaranty Fund.

This is not a merger or a re-organization. The Farmers State Bank has been liquidated by the receiver, and he will soon be discharged.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

OMAHA
Security State Bank.

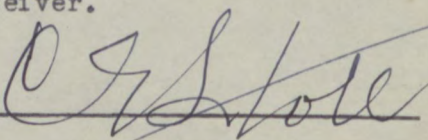
Memorandum:

In the case of the Security State Bank, South Omaha, this bank was closed September 7, 1926, and was operated by the Guarantee Fund Commission for a considerable length of time.

Later R. O. Brownell was named receiver of this bank, and under a contract entered into with a certain group of individuals, the charter and certain of the assets were sold to this group of individuals, who continued to operate a bank under the old charter and name of Security State Bank. They also assumed the liabilities of the Security State Bank, and the difference between the value of the assets and the amount of the liabilities assumed were paid by the receiver out of money received by him from the Depositors' Guaranty Fund.

The receiver continued to liquidate the assets which were not sold by him, and the old Security State Bank is still being liquidated by the receiver. The affairs of the old Security State Bank are practically wound up, and the receiver should soon be discharged.

Subsequent to making the above mentioned contract the Security State Bank, South Omaha, amended its articles of corporation by changing its name to the South Omaha State Bank. We do not consider this as a merger or re-organization, as the loss in this bank was paid out of the Guarantee Fund and the only way this could be done was through the appointment of a receiver.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

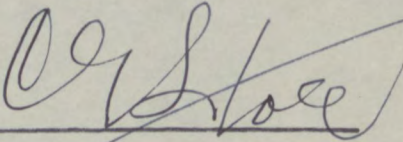
LYNCH
Security State Bank

Memorandum:

In the case of the Security State Bank, Lynch, this institution was closed March 15, 1926, and was operated by the Guarantee Fund Commission for a considerable length of time, and finally placed in receivership, Fay C. Hill as receiver.

The receiver entered into a contract with the Farmers State Bank of Lynch, a newly chartered institution, under the terms of which contract it assumed the liabilities of the Security State Bank, and purchased certain of its assets. The difference between the value of the assets and the amount of the liabilities assumed being paid out of the Depositors' Guaranty Fund.

The Security State Bank of Lynch is still in the hands of the receiver and its affairs are practically wound up, and the receiver will soon be discharged.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

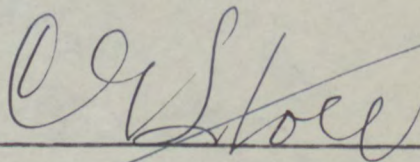
HARVARD
Union State Bank

Memorandum:

The Union State Bank, Harvard, Nebraska, was closed May 11, 1926, and Van E. Peterson was appointed as receiver of this bank.

A contract was entered into with the Nebraska State Bank, Harvard, a newly chartered institution, under the terms of which it assumed the liabilities of the Union State Bank, Harvard and purchased certain of its assets. The difference between the value of the assets and the amount of the liabilities assumed being paid out of the Depositors' Guaranty Fund.

The Union State Bank has been liquidated by its receiver and its affairs are ready to be closed.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

STAPLETON
Farmers Bank

Memorandum:

The Farmers Bank of Stapleton, Nebraska was closed October 14, 1925, and placed in the hands of I. A. Kirk, as receiver, who liquidated this bank in the regular way.

Under the terms of a contract entered into with the Farmers State Bank, Stapleton, which is a newly chartered institution the latter bank assumed the liabilities of the Farmers Bank and purchased certain of its assets, the difference between the value of the assets and the amount of the liabilities assumed being paid out of the Depositors' Guaranty Fund.

There was no merger in this instance and the old Farmers Bank has been liquidated and the receiver discharged.

O. S. Stoll

State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

SIDNEY
American Bank

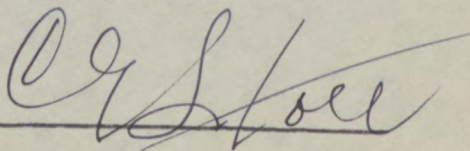
Memorandum:

The American Bank, Sidney, was closed November 21, 1925, and was operated by the Guarantee Fund Commission for a year or more, when it was finally placed in receivership in the hands of J. W. Rogers as receiver.

A contract was entered into providing for the sale of the charter and certain of the assets of the American Bank, Sidney, to a group of men who re-organized the American Bank, Sidney, and operated it under its old charter. The re-organized bank assumed the liabilities of the American Bank, Sidney, and the receiver paid to the re-organized bank the difference between the amount of the liabilities assumed by it and the value of the assets purchased. The receiver received this cash from the Guarantee Fund.

The old American Bank, Sidney was liquidated by its receiver and is still in the process of being liquidated by its receiver.

We do not believe this is in the class of a re-organization, although the bank to which the assets were sold succeeded to the charter of the bank in receivership. Under the provisions of the Nebraska Statutes permitting such a sale according to their records this is a suspension and receivership and not a re-organization.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

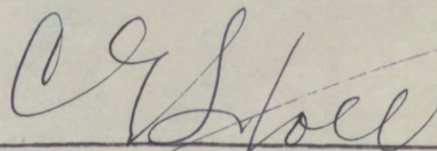
RIVERTON
Republican Valley Bank

Memorandum:

The Republican Valley Bank of Riverton was closed June 2, 1925, and the liabilities of this bank were assumed by the Riverton State Bank, under a contract entered into with the receiver, Van E. Peterson. The Riverton State Bank also purchased certain assets under the contract. The difference between the value of the assets and the amount of the liabilities assumed, being paid out of the Depositors' Guaranty Fund of Nebraska.

The Riverton State Bank was a newly chartered institution and was entirely independent of the Republican Valley Bank of Riverton, and did not succeed to any of the rights of that bank.

The Republican Valley Bank is practically liquidated and the receiver will soon be discharged.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

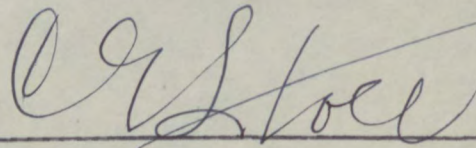
NAPONEE
Republican Valley Bank

Memorandum:

Regarding the Republican Valley Bank, Naponee, this bank was closed June 1, 1925, and placed in the hands of Van E. Peterson as receiver. The liabilities were assumed by the Naponee State Bank, under a contract entered into by the Receiver, and under which contract certain of the assets of the Republican Valley Bank were purchased by the Naponee State Bank. The difference in the value of the assets and the amount of the liabilities assumed, being paid from the Depositors' Guaranty Fund.

The Naponee State Bank did not succeed any of the rights of the Republican Valley Bank and was a newly chartered bank.

The Republican Valley Bank is practically liquidated and the receiver will soon be discharged.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

HOOPER
Dodge County Bank

Memorandum:

The Dodge County Bank, Hooper, was closed June 22, 1925, and we do not know where information could have been procured that it was succeeded by the Hooper State Bank.

The Dodge County Bank has been liquidated by a receiver, Mr. R. O. Brownell, and is still in the hands of Mr. R. O. Brownell.

This is an error on the part of some reporting agent.

O. G. Stoeck

State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

HOLDREGE
Citizens State Bank

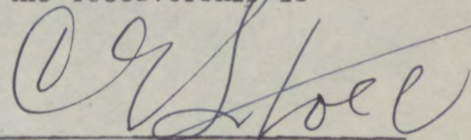
Memorandum:

The Citizens State Bank of Holdrege was closed December 19th, 1925, and has been liquidated through a receiver, Mr. Van E. Peterson.

The liabilities of the Citizens State Bank were assumed by the State Bank of Holdrege under the terms of a contract entered into with the receiver, by the terms of which contract certain of the assets of the Citizens State Bank of Holdrege were purchased by the State Bank of Holdrege, the difference in the value of the assets and the amount of the liabilities assumed, being paid out of the Depositors' Guaranty Fund.

The State Bank of Holdrege did not succeed to any of the rights or charger of the Citizens State Bank, and was a newly chartered bank in 1926.

The Citizens State Bank has been liquidated entirely by the receiver, and the receivership is about ready to be closed.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

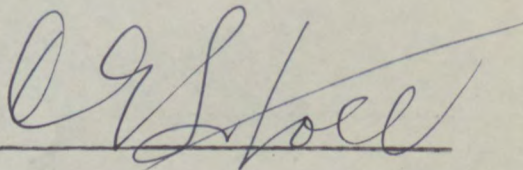
February 25th, 1931

CARROLL
Citizens State Bank

Memorandum:

The Citizens State Bank of Carroll was closed March 30th, 1925, and was not succeeded by the Carroll State Bank. The Carroll State Bank is an entirely independent organization, and did not assume any of the liabilities of the Citizens State Bank.

The Citizens State Bank was liquidated by the receiver and its deposits were paid out of the Depositors' Guaranty Fund of Nebraska. The receivership of the Citizens State Bank is about ready to be closed.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

MONOWI STATE BANK

Memorandum:

The Monowi State Bank was closed June 14th, 1924, and Van E. Peterson was named as receiver of the institution.

The bank was liquidated entirely by the receiver and the Ponca Valley State Bank of Monowi had nothing to do with the liquidation of the bank, and is not the successor of the Monowi State Bank. After the appointment of the receiver a charter was granted to the Ponca Valley State Bank, and this bank purchased certain of the assets of the Monowi State Bank for the purpose of aiding the receiver in the liquidation of that bank.

C. S. Toll

State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

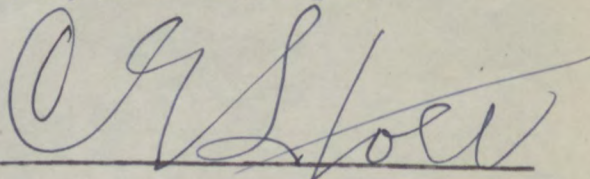
MCCOOK
Citizens State

Memorandum:

Regarding the Citizens State Bank, McCook, this bank was closed July 24th, 1923, and soon thereafter was placed in the hands of the receiver, with Mr. Van E. Peterson acting in that capacity.

The liabilities of this bank were assumed by the Farmers and Merchants Bank of McCook under a contract entered into with the receiver of the Citizens State Bank, McCook, and under the terms of this contract the Farmers and Merchants Bank purchased certain of the assets. The difference between the value of the assets and the amount of the liabilities assumed, being paid out of the Depositors' Guaranty Fund.

There was no merger between the Citizens State Bank and the Farmers and Merchants Bank, and the affairs of the Citizens State Bank have been handled entirely by the receiver. The receivership is practically wound up and the receiver is ready to be discharged.



State of Nebraska

Department of Trade and Commerce
Receivership Division

Lincoln

February 25th, 1931

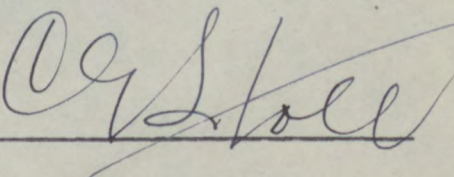
ORD STATE BANK

Memorandum:

The Ord State Bank was closed September 18th, 1926, and placed in the hands of I. A. Kirk as receiver.

A contract was entered into with the State Bank of Ord, a newly chartered institution, under the terms of which contract the liabilities of the Ord State Bank were assumed and certain of its assets purchased by the State Bank of Ord. The difference between the value of the assets and the amount of the liabilities assumed was paid out of the Depositors' Guaranty Fund.

The Ord State Bank was liquidated by the receiver and he has been discharged.



481.11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 25, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

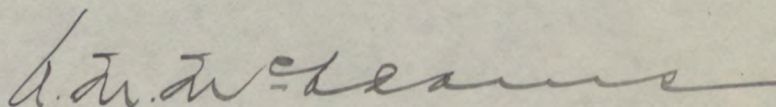
We are enclosing suspension schedules covering Wyoming State and private banks suspended during the ten year period ended December 31, 1930.

In explanation of the lack of complete information in many of the schedules, the Wyoming banking department has advised that receiverships, prior to April, 1925, were handled through the courts of the respective counties in which the suspended banks were located, and no records of these receiverships were turned over to the State Examiner. An effort has been made to complete the information on these earlier receiverships, by correspondence with the several county courts, but this procedure was only partially successful.

In answer to the questions presented in your letter of December 12, 1930, as to the statutory priority of lien of various types of deposits, the State Examiner has advised as follows:

"Under our law the only claims upon an insolvent bank which may be considered secured are public deposits which are secured under the provisions of the depository law. The only preferred claims that we consider so are items of proven trust, and in this I rather prefer to have the court pass judgment, aside from the remittance of cash letters and items in transit. General claims, of course, are all other claims which are proven and approved."

Very truly yours,



Assistant Federal Reserve Agent

MCA/H

ans 3-2-31

421.11 (10)

February 24, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

In accordance with the request contained in
your letter of February 21st we are enclosing herewith
12 additional copies of form A-2 for use in connection
with the study on bank changes.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 21, 1931

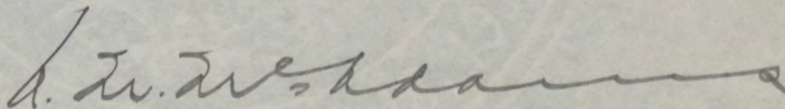
Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

We have received reports on Forms A-3 and A-2,
covering bank changes, from several of the States of
our district, and we are find it necessary to have some
further correspondence with the respective banking
departments in order to reconcile the summary of changes
on Form A-2 with the records of suspensions, reopenings,
conversions, etc.

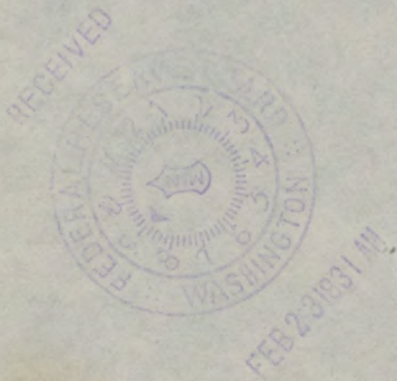
In this connection, we shall be glad to have you
send us one dozen copies of Form A-2.

Very truly yours,



Assistant Federal Reserve Agent

McA/H



421.11 (10)

February 21, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Your letter of February 17th, enclosing the schedules on state bank suspensions in New Mexico, was duly received. We have checked the schedules against the records of the Division of Bank Operations which show one additional suspension, that of the Loving State Bank, Loving, New Mexico, which closed March 3, 1921. Will you kindly ask the banking commissioner of New Mexico to supply a schedule on this bank or to explain why it is not properly considered a suspension within the terms of the Committee's definition?

We trust that you will convey to the commissioner our appreciation of his cooperation in this study. While we are disappointed in not being able to obtain more complete data on the liquidation of banks which are or have been in receivership, we realize that the scattered state of the New Mexico records makes it impracticable.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

ans 3-31-31

421.11 (10)

Office Correspondence

FEDERAL RESERVE BOARD

Date February 20, 1931

To Mr. Horbett

Subject: State bank suspensions in

From Caskey

the state of New Mexico.

MPC

2-8495

The accompanying schedules covering state bank suspensions in New Mexico have been checked and found to be in agreement with the Board's records. The Board's records, however, shows the suspension of one bank for which no schedule has been submitted, as follows:

<u>District number</u>	<u>Name and location of bank</u>	<u>Date closed</u>
11	Loving State Bank Loving	3-10-21 N-M

To Mr. Sarlock
2/20/31

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 17, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

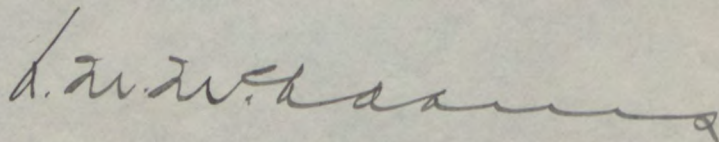
Dear Mr. Riddle:

As suggested in your letter of February 9, we are enclosing the schedules covering New Mexico State bank suspensions from January 1, 1921, to December 31, 1930. As previously advised, the liquidation of suspended State banks in New Mexico has been handled through the various district courts, and the records of liquidations have not been filed with the State banking department. We have endeavored to get information for completion of sections 9 and 10 of the reports direct from the several district courts, but with very little success.

No information as to assessments levied is shown under section 12 of most of the schedules. The State banking department advises that it has no record of assessments after suspension, and such an incomplete record of assessments levied and collected prior to suspension that it was not practicable to try to give this information.

We have not yet received a reply from the State banking department to our request for information as to the statutory priority of lien and the types of deposits which are classified in New Mexico as secured, preferred, and general claims. We are making a further request for this information.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

ms 2-21-31

421.11 (10)

February 17, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

The schedules which you sent to us covering state bank suspensions in Nebraska have been checked against the records compiled on this subject by the Division of Bank Operations. The latter show that there were five additional suspensions for which no schedules were received. The names of these banks are given on the attached sheet with their location and dates of closing. Will you kindly request the banking department of Nebraska to supply schedules on these banks or to explain in each case why the bank in question is not properly considered a suspension within the terms of the Committee's definition?

You will find on the same sheet a list of eighteen banks for which the dates of suspension reported on the schedules disagree with those shown by the records of the Division of Bank Operations. We should appreciate having these cases investigated with a view to reconciling the differences noted. Most of them do not exceed two or three months, but since they involve a difference in the year of suspension, we should like to have the dates verified and a statement of such information as may be available in explanation of the dates of closing shown by the Division of Bank Operations. Some of these banks may have suspended more than once and in such case a separate schedule should be prepared for each suspension.

In addition to the differences noted above in the two records, we received seventeen schedules covering suspensions of which the Division of Bank Operations has no record. That, of course, does not prove that these banks shouldn't be included as suspensions for we have discovered quite a number of instances in which the records of the Division were incomplete. But as regards these seventeen Nebraska banks, we have found comments in the Rand McNally Bankers' Directories which seem more or less incompatible with their classification as suspensions. We are, therefore, returning these schedules on which you will find in pencil the comments referred to. We should appreciate having these cases reviewed in the light of this additional information.

3-31-31
ans 4-29-31

February 17, 1931.

Practically all the schedules on banks which have been reopened show that, prior to reopening, unsecured deposits were "written down" anywhere from 30 to 85% "in order to remove undesirable assets." We are not at all clear on what constitutes an "unsecured deposit" or how it fits into the classification of claims outlined in your letter and that of Mr. Stoll. According to our understanding, for banks which failed during the time the Depositors Guarantee Fund Law was in force, all claims of depositors which complied with the requirements of the statute were classified as Preferred claims on our schedules; and further, Secured claims on our schedules represent bills payable while General claims cover other liabilities. Now most of the reopened banks failed during the time the Depositors' Guarantee Fund Law was in force; that is, prior to March 18, 1930. Consequently if we understand your letter, the claimants against these banks should be classified according to the plan above which does not recognize "unsecured deposits," at least in any considerable amount. Moreover, the schedules on these reopened banks show only the percentage write-down on unsecured deposits and do not give the actual dollar amounts of loss to depositors in each bank. The latter figures are quite essential for summary purposes. Under the circumstances, we have decided to return the schedules on reopened banks for whatever additions or explanations it is possible to give in clarifying these matters.

We expected, of course, to find disagreements between the schedules and the failure data of the Division of Bank Operations which would be helpful in perfecting the accuracy and completeness of the Committee's suspension record; otherwise there would have been no reason for making the comparison. We trust you understand, therefore, that these many inquiries come not in a spirit of criticism but rather for the sole purpose of improving our records.

As a matter of fact, we have found the Nebraska schedules highly satisfactory in most respects. They give every evidence of having been prepared with the most painstaking care and we hope you will convey to Mr. Stoll of the Receivership Division our appreciation of his cooperation in this study. We are greatly obliged for the explanation given with respect to the classification of claims, the comments regarding assessments on stockholders and the references to particular sections of the Nebraska banking law, all of which will be very helpful to us in our work of tabulating the information contained on the schedules.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

Suspended banks for which no schedules were received

<u>Name and location of bank</u>	<u>Closed</u>
Brownville State Bank, Brownville	4-12-21
Farmers Bank, Crawford	5-4-22
Fidelity Trust Co, Fremont	3-23-22
American State Bank, Scotts Bluff	7-29-27
Ponca Valley State Bank, Monowi	6-27-30

Differences between dates of suspension shown on the schedules and those shown by the Division of Bank Operations

<u>Name and location of bank</u>	<u>Date reported by Division of Bank Operations</u>	<u>Date shown on schedule</u>
Home State Bank, Dunning	11-4-21	11-16-22
South Fork State Bank, Chambers	11-24-22	11-22-23
Commercial Bank, Grant	5-2-29*	4-18-28*
First State Bank, Alliance	12-30-29	2-8-30
Bank of Bayard, Bayard	12-23-29	2-6-30
State Bank of Belvidere, Belvidere	9-21-29	4-15-30
Cadams State Bank, Cadams	11-15-29	1-14-30
Ranchers State Bank, Cody	12-5-29	1-22-30
Bank of Julian, Julian	10-24-29	3-18-30
First State Bank, Lincoln	11-27-29	1-24-30
Farmers State Bank, Loomis	12-13-29	2-18-30
Loretta State Bank, Loretta	9-9-29	4-4-30
Nebraska State Bank, Milford	11-15-29	1-25-30
Hinds State Bank, Odell	12-26-29	2-15-30
Citizens State Bank, Ravenna	11-19-29	1-7-30
Bank of Sprague, Sprague	11-20-29	1-4-30
Chadron State Bank, Chadron	11-27-29	2-5-30
Bank of Ashton, Ashton	11-25-29	2-3-30

* Reopened 5-2-29

*Comments on schedules enclosed in letter
sent to Mr. M. Adams.*

421.11(10)

Citizens State Bank, McCook

January 1924 Directory reports this bank merged with the Farmers & Merchants State Bank. While the bank may actually have suspended business for a time we cannot reconcile the report of merger with the fact that you show the process of liquidation almost completed.

2-17-31

Monowi State Bank, Monowi

July 1924 Directory reports the Ponca Valley State Bank of Monowi as succeeding the Monowi State Bank.

Citizens State Bank, Carroll

January 1926 Directory reports this bank "taken over by Carroll State Bank."

Citizens State Bank, Holdrege

January 1926 Directory reports the State Bank of Holdrege as having succeeded the Citizens State Bank.

July 1925 Directory reports Citizens State Bank as operating under Guarantee Fund Commission.

Dodge County Bank, Hooper

January 1926 Directory reports the Hooper State Bank as formerly the Dodge County Bank.

Republican Valley Bank, Naponee

January 1926 Directory reports this bank "taken over by Naponee State Bank, June 4, 1925.

Republican Valley Bank, Riverton

January 1926 Directory reports "assets taken over by Riverton State Bank of Riverton." (no date specified)

American Bank, Sidney

January 1926 Directory reports the American Bank of Sidney as formerly the American Bank.

January 1925 and July 1925 Directories report the American Bank operating under Guaranty Fund Commission but give no record of actual suspension of business.

Farmers Bank, Stapleton

January 1926 Directory shows the Farmers State Bank as formerly the Farmers Bank.

Union State Bank, Harvard

July 1926 Directory shows the Nebraska State Bank of Harvard as formerly the Union State Bank

Security State Bank, Lynch

July 1926 Directory shows the Farmers State Bank as formerly the Security State Bank.

Jan. 1925, July 1925 and January 1926 Directories show the Security State Bank operating under Guaranty Fund Commission.

*Comments on schedules enclosed in
letter to Mr Adams 2-17-31*

Security State Bank, Omaha

January 1927 Directory shows the South Omaha State Bank as formerly the Security State Bank.

Ord State Bank, Ord

January 1927 Directory shows the State Bank of Ord as having succeeded the Ord State Bank."

Farmers State Bank, Randolph

July 1926 Directory shows the Farmers & Merchants State Bank as formerly the Farmers State Bank.

Citizens State Bank, Stratton

July 1926 Directory shows the State Bank of Stratton as formerly the Citizens State Bank.

Bank of Burchard, Burchard

January 1930 Directory states that this bank "liquidated"; July 1927 to January 1929 Directories show bank operating under Guaranty Fund Commission.

Community State Bank, Glenrock

July 1928 Directory reports this bank in "voluntary liquidation."

42. 11(10)

February 16, 1931.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

We have in mind making some analysis of the earnings' experience of failed banks prior to the date of suspension. In connection with this project, please forward us the Analysis of Bank Earnings blanks for each of the years 1926-1929 for each of the national banks in your district, which suspended payments during the year 1930. It may be that you will wish to retain the originals for your files, sending us copies. Our plan comprehends working out here various groupings of the banks involved, some 160 for all twelve districts together.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

February 13, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

The schedules which you sent to us covering state bank suspensions in Oklahoma have been checked against the records of the Division of Bank Operations. The latter show that there were six other suspensions in Oklahoma for which no schedules were received. The names of the banks not accounted for are listed below with their location and dates of closing and reopening.

<u>Name and Location</u>	<u>Date Closed</u>	<u>Date Reopened</u>
-First State Bank, Bliss	11-12-21	12-6-21*
-Bank of Commerce, Sulphur	11-3-21	12-7-21**
Octavia State Bank, Octavia	8-13-21	
-First State Bank, Blanco	8-29-23	
<i>Disqualified</i> First State Bank, Miami	3-23-23	
Security State Bank, Hoffman	1-3-25	

* Closed again 2-28-22

** Closed again 2-25-22

You will note from the list above that, according to the records of the Division of Bank Operations, both the First State Bank of Bliss and the Bank of Commerce, Sulphur, Oklahoma failed twice. We received schedules covering only the latter suspension for each bank. In case a bank has suspended more than once the directions of the Committee call for a separate schedule covering each suspension. May we ask, therefore, that you request the Banking Commissioner of Oklahoma to review these cases, as well as the others which we have listed, and to supply schedules on such of them as are properly considered suspensions? In connection with the First State Bank of Miami it may be helpful to you to know that we received a schedule on this bank showing it as suspended December 6, 1922, and reopened December 7, 1922, but giving no indication of a subsequent closing on March 3, 1923, as reported by the Division of Bank Operations.

ans 3-25-31

Mr. A. M. McAdams #2

February 13, 1931.

We should like also to have the records on the Farmers Exchange Bank of Lindsay, Oklahoma, investigated. The schedule on this bank shows it to have suspended April 24, 1923, but the Division of Bank Operations reports the date of closing as April 25, 1924.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

February 9, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Referring to your letter of February 6th it will
be entirely satisfactory to classify the active banks of
Nebraska as of November 13, 1920, instead of June 30, 1920,
as called for on Forms B-3 and B-4.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

February 9, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Receipt is acknowledged of your letter of February 7th regarding the difficulty of securing the data called for in sections 9 and 10 of the suspension schedule for the State of New Mexico. In view of the circumstances I doubt if the further time and effort which would be required to complete these sections would be justified by the results.

I am sure your people have made every reasonable effort to get this information and that nothing would be gained by trying to insist on perfection which cannot be obtained. I suggest, therefore, that you send us the schedules for New Mexico with such information as you have been able to get thus far.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

ans 2-17-31

421.11 (10)

FEDERAL RESERVE BANK

OF KANSAS CITY

W. J. BAILEY, GOVERNOR
 C. A. WORTHINGTON, DEPUTY GOVERNOR
 J. W. HELM, DEP. GOV. AND CASHIER
 JOHN PHILLIPS, JR., ASST. CASHIER
 E. P. TYNER, ASST. CASHIER
 G. E. BARLEY, ASST. CASHIER
 M. W. E. PARK, ASST. CASHIER
 G. H. PIPKIN, ASST. CASHIER
 N. R. OBERWORTMANN, ASST. CASHIER

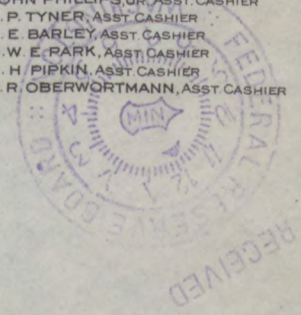
M. L. McCLURE
 CHAIRMAN BOARD OF DIRECTORS
 AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
 DEPUTY CHAIRMAN
 BOARD OF DIRECTORS

A. M. McADAMS
 ASST. FEDERAL RESERVE AGENT
 AND SECRETARY

February 7, 1931

RECEIVED
 FEB - 9 1931
 DIVISION OF RESEARCH
 AND STATISTICS.



Mr. E. A. Goldenweiser,
 Chairman, Committee on Branch, Group and Chain Banking,
 Federal Reserve Board,
 Washington, D. C.

Dear Sir:

We wrote you some time ago, advising of the difficulties we were meeting in securing the data called for in Sections 9 and 10 of suspended bank schedules for the State of New Mexico, owing to the fact that New Mexico liquidations are handled by the several district courts of that State. We have had a good deal of correspondence with the various district courts, and have succeeded in getting reasonably complete liquidation figures on less than twenty-five per cent of the suspensions over the ten year period.

Up to this time we have not suggested payment for time employed, by the clerks of the courts or other competent persons, in compiling the information for us. This course would probably bring us the desired information on some additional liquidations, but even by following this plan I do not believe we could hope to secure usable information on more than half of the suspensions.

We shall be glad to make further efforts to complete the reports, if you deem it desirable, and will await your advice in the matter.

Very truly yours,

Assistant Federal Reserve Agent

McA/H

ans 2-9-31

421.11(10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS
ASST FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 6, 1931

RECEIVED
FEB - 9 1931
DIVISION OF RESEARCH
AND STATISTICS.

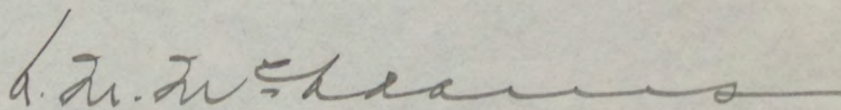
Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

The Nebraska banking department advises that to furnish a list of Nebraska banks, showing capital and total loans and investments as of June 30, 1920, as requested in your letter of November 12, 1930, will take a vast amount of work and possibly two or three months' time, because of the fact that the records of the banking department as of that date have been transferred to a storage vault where they are so mixed up with other records that it would be very difficult to sort them out. The department states that a biennial report showing individual statements of condition of all State banks as of November 13, 1920, is available.

In view of the foregoing, we should be glad to have you advise whether we shall have the 1920 list prepared as of the November 13 date, or whether we shall attempt to prepare a list as of June 30 from a bankers' directory purporting to list all banks at that time.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

FEDERAL RESERVE BOARD
WASHINGTON
FEB - 9 1931 AM

421.11 (10)

February 6, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

We have received your Tables IV-e and V-e for each state in your district for each of the years 1926-1929 together with respective aggregates of typical ratios.

We are sending you twenty-five copies of each of the Forms I-e, II-e, and III-e.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

February 6, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

We acknowledge with thanks your two letters of February 3rd as well as the schedules covering bank suspensions in Oklahoma and Nebraska. The schedules are now being checked against the records of the Division of Bank Operations, and we shall advise you of any discrepancies which are revealed by this comparison.

We trust you will express to the banking commissioners of both these states our appreciation for their efforts in supplying us with as complete records as possible of suspensions in their states. The explanations given regarding the classification of claims is particularly welcome in view of the complications which result from the operation of Guaranty Deposit Funds in these states.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

BANK SUSPENSIONS SINCE JANUARY 1, 1931
Oklahoma State Banks

421-11 (10)

File date Feb. 5, 1931

Name of Bank

Date of Suspension

	<u>1921</u>
Guaranty State, Ada	1-31
Gerlach Bank, Woodward	4-5
Bank of Jenks, Jenks	5-3
Central State Bank, Kiefer	5-3
Exchange State Bank, Kiefer	5-3
First State, Aylesworth	7-30
Miami State Bank, Miami	8-15
Pershing State Bank, Pershing	8-15
Farmers & Merchants Bank, Loveland	8-18
Bank of Pontotoc, Pontotoc	9-15
First State, Albion	9-20
Citizens State, Driftwood	10-10
Bank of Gage, Gage	10-22
1st Bank of Hoffman, Hoffman	10-25
Oklahoma State, Guthrie	10-25
Bank of Commerce, Okmulgee	11-1
Oklahoma State Bank, Preston	11-12
Bank of Goltry, Goltry	11-16
Bank of Millerton, Millerton	11-17
Delaware State Bank, Delaware	11-17
Imo State Bank, Imo	11-25
First State Bank, Stonewall	11-30
Miami Trust & Savings, Miami	12-10
Chattanooga State, Chattanooga	12-12
Bank of Meno, Meno	12-20
Carden State, Carden	12-24
First State Bank, Pensacola	12-30

1922

Farmers State Bank, Mead	1-3
Farmers State Bank, Kenefick	1-10
Guthrie State, Guthrie	1-11
First State, Durant	1-25
First State Bank, Morris	1-27
First State, Bliss	2-25
Bank of Commerce, Sulphur	2-28
Commercial Bank, El Reno	2-28
State Bank of Stratford, Stratford	3-1
Wilkin-Hale Bank, Oklahoma City	3-8
Oklahoma State Bank, Walters	3-10
Edmond State, Edmond	3-15
Western State, Erick	3-15
Oklahoma State, Caddo	3-18
First State, Clayton	3-27
Wilson State Bank, Wilson	4-3
Farmers State Bank, Park Hill	4-7
Bartlesville State, Bartlesville	5-11
Peoples Bank & Trust Co., Wann	5-18

Name of BankDate of Suspension1922(cont'd)

Bank of Cameron, Cameron	6-17
First State, Clarita	8-3
Farmers State, Comanche	8-7
Security State Bank, Pawnee	8-14
Yale State Bank, Yale	8-14
Farmers State Bank, Glencoe	8-17
Central State Bank, Muskogee	8-18
Farmers Bank of Illinois, Gore	9-14
Bank of Richmond, Richmond	9-18
Bank of Crowder, Crowder	10-6
Security State Bank, Pershing	10-25
State Bank of Choctaw, Choctaw	11-2
Citizens State Bank, Rocky	11-13
First State Bank, Miami	12-6
First State Bank, Wagoner	12-21
Bromide State, Bromide	12-29
Farmers State, Fitzhugh	12-30

1923

Oklahoma State Bank, Jennings	1-2
Central Exchange Bank, Woodward	1-16
First State, Allen	1-22
Bluejacket State, Bluejacket	1-24
First State, Ashland	1-25
First State, Atwood	1-25
Farmers State Bank, Gage	1-27
Foss State, Foss	1-28
Farmers & Merchants Bank, Nash	2-12
Guaranty State Bank, Achille	2-12
Sallisaw Bank & Trust Co., Sallisaw	2-19
Caddo County, Ft. Cobb	4-12
Farmers Exchange Bank, Lindsay	4-24
Bank of Mt. View, Mt. View	7-6
Citizens Bank, Geronimo	7-9
Bank of Welch, Welch	7-23
Oklahoma State Bank, Welch	7-23
Oklahoma State, Frederick	8-6
Farmers State Bank, Lahoma	8-28
First State Bank, Bernice	9-4
First State Bank, Lehigh	9-17
First State, Carmen	9-18
New State Bank, Woodward	10-13
Farmers State Bank, Mulhall	10-16
May State Bank, May	10-23
Bank of Wann, Wann	10-31
Stuart State Bank, Stuart	10-31
Farmers State Guaranty Bank, Thomas	11-1
First State Bank, Ft. Towson	11-8
Bank of Homestead, Homestead	11-14
Citizens State, Grove	11-17
Oklahoma State, Council Hill	11-26

Name of BankDate of Suspension1923(cont'd)

Central State Bank, Ponca City	12-5
Greenfield State, Greenfield	12-5
First State Bank, Savanna	12-14
Canadian State, Canadian	12-17
Bixby State, Bixby	12-18
Security State, Hartshorne	12-24
Richland State Bank, Richland	12-29
Security State Bank, Wanette	12-29

1924

Southern State Bank, Mazie	1-3
First State, Bristow	1-10
State Bank of Commerce, Tupelo	1-12
Depositors State, Allen	1-14
Security State, Healdton	1-21
First State, Orr	1-23
City State Bank, Wilson	1-28
Citizens Bank & Trust Co., Pryor	1-30
Sumner State Bank, Sumner	2-12
First State Bank, Pleasant Valley	2-18
Oklahoma State, Eufaula	2-19
Farmers State, Cement	2-25
First Guaranty Bank, Wewoka	2-26
Bank of Eakley, Eakley	2-29
Cimarron County Bank, Kenton	2-29
Citizens State, Fairland	3-15
First State Bank, Oilton	3-24
Security State Bank, Kiefer	3-24
First State, Choteau	3-26
Citizens State Bank, Carnegie	3-28
Farmers State Bank, Atwood	3-29
Oklahoma State Bank, Wapanucka	4-17
Security State, Guthrie	4-26
Dale State, Dale	4-28
Farmers State, Asher	4-28
Farmers Bank, Mutual	5-1
Security State Bank, Locust Grove	5-3
Marshall State, Marshall	5-5
First State, Gowen	5-13
Mustang State Bank, Mustang	5-14
Bank of Shattuck, Shattuck	5-15
Farmers State, Gage	5-22
Citizens State Bank, Minco	5-23
Bank of Grant, Grant	6-27
Bank of Apperson, Apperson	7-27
Bank of Ingersoll, Ingersoll	9-16
First State, Cashion	10-6
Speermore State Bank, Laverne	10-22
Lenora State Bank, Lenora	11-29
Ellis County, Arnett	12-6
Producers State Bank, Hartshorne	12-31

Name of BankDate of Suspension1925

Planters & Mechanics, Tulsa	1-13
Peoples State Bank, Morris	2-2
Coleman State, Coleman	3-5
Hugo State, Hugo	5-11
Liberty State Bank, Soper	5-11
Citizens State Bank, Hinton	8-31
Farmers State Bank, Nash	8-31
Hennessey State, Hennessey	9-8
Fidelity Bank, Grove	10-3
First State Bank, Milburn	11-21
Citizens Bank, Henryetta	12-3
Bank of Commerce, Barnsdall	12-5
Dewar State Bank, Dewar	12-15
Blaine County Bank, Watonga	12-19
Citizens Bank, Millerton	12-26

1926

Peoples Bank, Hickory	1-5
Farmers State, Granite	1-28
Seminole State Bank, Seminole	3-
Farmers State, Alva	3-20
First State Bank, Jenks	7-6
Producers State Bank, Wilson	7-22
Farmers State, Afton	8-25
1st State Bank of Hartshorne, Hartshorne	9-7
Citizens State Bank, Soper	10-9
Guaranty State Bank, Tishomingo	10-18
Farmers & Merchants Bank, Stringtown	10-25
Oklahoma State, Atoka	10-27
Bank of Navina, Navina	11-15
Farmers State, Cashion	11-20
First State Bank, Smithville	11-29

1927

First State, Calera	1-10
1st State Bank in Hartshorne, Hartshorne	1-14
Oklahoma State Bank, Devol	1-18
Indianola State Bank, Indianola	1-20
Bank of Krebs, Krebs	2-2
Bank of Commerce, Coalgate	2-4
Bank of McAlester, McAlester	2-4
Bank of Pittsburg, Pittsburg	2-4
McAlester Trust Co., McAlester	2-4
Wapanucka State Bank, Wapanucka	2-4
First State Bank, Kiowa	2-7
First State Bank, Keota	2-21
Guaranty State, Hallett	3-8
Farmers State, Hanna	6-1
Deposit Guaranty State Bank, Ponca City	7-8

Name of BankDate of Suspension1927(cont'd)

Bank of Commerce, Sapulpa	8-20
State Bank of Collinsville, Collinsville	10-3
Guaranty State Bank, Madill	10-10
Farmers & Merchants, Choteau	10-18
Home State Bank, Tecumseh	11-23
First State Bank, Greenfield	12-12
First State, Francis	12-31

1928

Farmers State, Garvin	2-1
First State Bank, Wilburton	2-17
Bank of Dover, Dover	3-7
Citizens State Bank, Ramona	4-2

1929

Security State Bank, Morris	1-12
First State Bank, Locust Grove	1-21
Fidelity State Bank, Cleveland	2-16
Bank of Commerce, Tonkawa	6-5
First State, Delaware	7-27
State Bank of Bluejacket, Blue jacket	9-19
Security State, Driftwood	11-1
Avant State, Avant	11-27
Bank of Commerce, Weleetka	11-27
Bank of Kellyville, Kellyville	11-27
Bank of Mounds, Mounds	11-27
Citizens State Bank, Webbers Falls	11-27
Davenport State Bank, Davenport	11-27
First State Bank, Terlton	11-27
First State Bank, Vian	11-27
Henryetta State, Henryetta	11-27
Keystone State Bank, Keystone	11-27
Oilton State Bank, Oilton	11-27
Sapulpa State Bank, Sapulpa	11-27
Bank of Picher, Picher	12-31

1930

Oklahoma State Bank, Ochelata	1-7
State Guaranty Bank, Sperry	1-30
Citizens State, Altus	2-3
McCurtain State Bank, McCurtain	3-6
First State, Centralia	4-5
Farmers State Bank, Vinita	5-16
State Bank of Amber, Amber	6-21
Security State Bank, Stillwell	9-16

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421.11 (10)

File date Feb 5, 1931

BANK SUSPENSIONS SINCE JANUARY 1, 1921.

Nebraska State Banks

<u>Name of Bank</u>	<u>Date Suspended</u>
	<u>1921</u>
American State Bank, Merriam	1-8
The Banking House of Castetter, Blair	3-3
Farmers State Bank, Pleasanton	4-9
Brown County Bank, Long Pine	4-18
First State Bank, Oshkosh	4-22
Farmers State Bank, Hoskins	4-23
The Farmers State Bank, Belvidere	5-2
Farmers State Bank, Allen	5-16
The Peoples State Bank, Anselmo	5-21
Holdrege State Bank, Holdrege	5-23
Farmers State Bank, Hadar	5-30
Pioneer State Bank, Omaha	6-3
Midland Savings Bank, Lincoln	7-1
The American State Bank, Lincoln	7-16
Nebraska State Bank, Sidney	8-11
Octavia State Bank, Octavia	9-8
Community State Bank, Table Rock	9-9
Obert State Bank, Obert	10-25
Kilgore State Bank, Kilgore	10-27
Farmers State Bank, Springfield	11-1
Farmers State Bank, Winside	11-7
Gurley State Bank, Gurley	11-20
The Bank of Cass County, Plattsmouth	12-13
	<u>1922</u>
The Goodrich Brothers Banking Company, Fairbury	1-3
Home State Bank, Dunning	1-16
The Farmers State Bank, Bayard	1-25
Exchange Bank, Ogallala	2-7
Homer State Bank, Homer	2-15
Farmers & Merchants Bank, Walton	4-14
Newcastle State Bank, Newcastle	4-24
The American State Bank, Long Pine	6-12
Bank of Waterloo, Waterloo	6-19
Shelton State Bank, Shelton	7-5
The Nebraska State Bank, Milligan	7-21
Endicott State Bank, Endicott	8-9
Farmers and Merchants Bank, Morrill	8-26
Wayne County Bank, Sholes	8-26
Farmers State Bank, Benedict	9-5
Waco State Bank, Waco	9-15
First State Bank, Hemingford	9-26

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Name of BankDate Suspended1922

State Bank of Gering, Gering	9-28
Farmers Bank, Bennet	11-6
Citizens State Bank, Kimball	11-28
American State Bank, Omaha	12-4
Berwyn State Bank, Berwyn	12-23

22

1923

American Exchange Bank, Bristow	1-11
Maskell State Bank, Maskell	1-30
Henry State Bank, Henry	2-24
Gross State Bank, Gross	2-28
First State Bank, Kenesaw	5-18
Wayside State Bank, Wayside	6-8
Broadwater Bank, Broadwater	7-10
Citizens State Bank, McCook	7-24
Farmers State Bank, Dixon	9-14
Security State Bank, Eddyville	9-17
Farmers State Bank, Bushnell	11-8
Bank of Crookston, Crookston	11-20
Atlas State Bank, Neligh	11-21
Citizens State Bank, Royal	11-21
South Fork State Bank, Chambers	11-22
Springview State Bank, Springview	12-12

14

1924

Lorenzo State Bank, Lorenzo	1-19
Bank of Waverly, Waverly	1-23
Citizens State Bank, Potter	2-11
Farmers State Bank, Dix	2-16
Thedford Bank, Thedford	2-25
Security State Bank, McGrew	3-28
Farmers State Bank, Culbertson	4-30
Farmers State Bank, Bartley	5-8
First State Bank, Nickerson	6-10
Monowi State Bank, Monowi	6-14
Clinton State Bank, Clinton	6-26
Bank of College View, College View	8-14
Farmers Bank, Crawford	9-26
Trumbull State Bank, Trumbull	10-24

Name of BankDate Suspended

	<u>1925</u>
Valentine State Bank, Valentine	2-21
Farmers State Bank, Ames	3-5
Angora State Bank, Angora	3-30
Citizens State Bank, Carroll	3-30
Republican Valley Bank, Naponee	6-1
Republican Valley Bank, Riverton	6-2
McLean State Bank, McLean	6-11
Farmers State Bank, Adams	6-18
Dodge County Bank, Hooper	6-22
Old Gold Bank, Taylor	7-2
Citizens State Bank, Chadron	7-8
Macy State Bank, Macy	8-8
Neligh State Bank, Neligh	9-18
Niobrara Valley Bank, Niobrara	9-21
Farmers Bank, Stapleton	10-14
Citizens State Bank, Bloomfield	11-4
Peru State Bank, Peru	11-6
Beverly State Bank, Beverly	11-21
American Bank, Sidney	11-21
Citizens State Bank, Holdrege	12-19

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	<u>1926</u>
Orchard State Bank, Orchard	1-5
Citizens State Bank, Ralston	1-28
Bank of Commerce, Hastings	2-1
Farmers State Bank, Randolph	2-24
Bostwick State Bank, Bostwick	3-9
Security State Bank, Lynch	3-15
Farmers State Bank, Cotesfield	4-19
Brownville State Bank, Brownville	5-6
Union State Bank, Harvard	5-11
Citizens State Bank, Stratton	5-22
Farmers State Bank, Wolbach	6-10
Santee State Bank, Santee	6-19
Seneca State Bank, Seneca	7-19
Citizens State Bank, Lyons	8-12
The State Bank, Papillion	8-31
Security State Bank, Omaha	9-7
Ord State Bank, Ord	9-18
First State Bank, Richfield	10-1
Commercial State Bank, Omaha	12-13
Farmers State Bank, Craig	12-15
Brayton State Bank, Brayton	12-21
Sweetwater State Bank, Sweetwater	12-30

<u>Name of Bank</u>	<u>Date Suspended</u>
	<u>1927</u>
Bank of Angus, Angus	2-1
Farmers State Bank, Ericson	2-1
State Bank, Nelson	4-27
Silver Creek State Bank, Silver Creek	5-19
Farmers State Bank, Ansley	5-20
Royal State Bank, Royal	6-1
First State Bank, Bazile Mills	6-2
Farmers State Bank, Elba	6-6
Farmers State Bank, Rosalie	6-14
State Bank of Superior, Superior	7-7
Nebraska State Bank, Harvard	7-19
Lakeside State Bank, Lakeside	8-6
Bridgeport Bank, Bridgeport	9-27
Platte Valley State Bank, North Platte	9-27
Minatare Bank, Minatare	10-15
Ewing State Bank, Ewing	10-17
Pioneer Bank, Ewing	10-17
Bank of Benson, Benson	10-21
First State Bank, Pawnee City	11-17
State Bank of Blair, Blair	12-17
Farmers & Merchants Bank, Kennard	12-17
Bank of South Sioux City, South Sioux City	12-26
44	
	<u>1928</u>
Rock County State Bank, Newport	1-18
Snyder State Bank, Snyder	1-19
Mangold & Glandt Bank, Bennington	2-8
State Bank of Clearwater, Clearwater	2-13
Farmers State Bank, Verdell	2-20
Meadow Grove State Bank, Meadow Grove	2-22
Farmers and Merchants Bank, Fairfield	3-2
Farmers State Bank, Brunswick	3-3
State Bank of Bassett, Bassett	3-5
First Bank of Ulysses, Ulysses	3-9
Farmers State Bank, Belden	3-10
Enola State Bank, Enola	3-10
Farmers & Merchants Bank, Wahoo	3-13
Dannebrog State Bank, Dannebrog	3-20
Western State Bank, Western	3-20
Liberty State Bank, Thurston	3-21
Citizens Bank, Giltner	4-3
Farmers & Merchants Bank, Ulysses	4-3
Bank of Belgrade, Belgrade	4-4

<u>Name of Bank</u>	<u>Date Suspended</u>
	<u>1928</u>
Cornlea State Bank, Cornlea	4-4
Farmers State Bank, Crofton	4-4
Magnet State Bank, Magnet	4-4
Blue Valley State Bank, Spring Ranch	4-7
Osceola Bank, Osceola	4-11
Commercial Exchange Bank, Doniphan	4-15
Elgin State Bank, Elgin	4-17
Commercial Bank, Grant	4-18
Dunbar State Bank, Dunbar	4-21
S. S. Hadley Co., Bankers, Cedar Rapids	4-26
Farmers State Bank, Eagle	4-5
Farmers State Bank, York	5-11
State Bank of Ansley, Ansley	5-26
Jackson State Bank, Jackson	10-3
Citizens State Bank, Petersburg	10-13
Farmers State Bank, Petersburg	10-13
Antelope County Bank, Oakdale	10-22
Malcolm State Bank, Malcolm	10-23
First State Bank, Dannebrog	10-24
Bennington State Bank, Bennington	11-2
Farmers State Bank, Hazard	11-20
Oakdale Bank, Oakdale	10-22
Mt. Clare State Bank, Mt. Clare	11-24
Farmers and Merchants Bank, Gretna	11-26
Farmers State Bank, Newcastle	12-3
State Bank, Tilden	12-5
Citizens State Bank, Geneva	12-12
Farmers State Bank, Boelus	12-17
Nebraska State Bank, Chiowa	12-26

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	<u>1929</u>
American State Bank, Scottsbluff	1-7
Farmers & Merchants Bank, Sterling	1-15
Farmers State Bank, Altona	1-21
Bank of Monroe, Monroe	1-22
First State Bank, Winnetoon	1-23
Strang State Bank, Strang	1-25
The Commercial Bank, Gibbon	1-31
Farmers & Merchants Bank, Bloomfield	2-8
State Bank of Wolbach, Wolbach	2-11
Vesta State Bank, Vesta	2-12
Custer State Bank, Broken Bow	2-13
First State Bank, North Bend	2-14
Citizens State Bank, Ainsworth	2-20
Commercial State Bank, Paxton	2-22
Greeley State Bank, Greeley	2-23
Nebraska State Bank, Bloomfield	2-25

Name of BankDate Suspended

	<u>1929</u>
Frontier County Bank, Stockville	2-26
Citizens Bank, Johnstown	2-27
Citizens Bank, Fairfield	3-6
State Bank of Surprise, Surprise	3-11
State Bank of Deweese, Deweese-	3-12
Meisner State Bank, Shelton	3-16
First State Bank, Murphy	3-25
Security State Bank, Plainview	3-26
Farmers State Bank, Raeville	3-27
State Bank of Laurel, Laurel	4-2
Security State Bank, Wakefield	4-5
Dixon State Bank, Dixon	4-6
Citizens State Bank, Plainview	4-6
Thurston State Bank, Thurston	4-6
City State Bank, Sutton	4-8
Farmers State Bank, Panama	4-9
Citizens State Bank, Butte	4-27
Mason City Banking Company, Mason City	4-29
Kennard State Bank, Kennard	5-16
Farmers State Bank, Cozad	5-20
Bank of Crab Orchard, Crab Orchard	5-22
State Bank of Humboldt, Humboldt	5-22
Boone State Bank, Boone	5-23
Farmers State Bank, Bradish	5-23
State Bank of Clarks, Clarks	5-23
Dodge State Bank, Dodge	5-23
Farmers State Bank, Fullerton	5-23
State Bank of Havens, Havens	5-23
Bank of Ottis & Murphy, Humphrey	5-23
Lindsay State Bank, Lindsay	5-23
Farmers Security State Bank, Rohrs	5-23
Scribner State Bank, Scribner	5-23
Farmers State Bank, St. Edward	5-23
Farmers State Bank, Genoa	5-24
State Bank of Gilead, Gilead	5-25
Farmers State Bank, Greenwood	5-25
Ralston State Bank, Ralston	5-25
Farmers State Bank, Stromsburg	5-25
First State Bank, Nacora	5-27
Sutton State Bank, Sutton	5-27
Nebraska State Bank, Bridgeport	5-29
Lyman State Bank, Lyman	5-29
State Bank of Minatare, Minatare	5-29
Mitchell State Bank, Mitchell	5-29
Farmers State Bank, Polk	5-29
Breslau State Bank, Breslau	6-1
Farmers State Bank, Bloomington	6-1
Brownlee State Bank, Brownlee	6-1
Bank of Dakota County, Jackson	6-1

<u>Name of Bank</u>	<u>Date Suspended</u>
	<u>1929</u>
Citizens State Bank, Martinsburg	6-1
Martinsburg State Bank, Martinsburg	6-1
Pierce State Bank, Pierce	6-1
Security Bank, Ponca	6-1
Nebraska State Bank, Republican City	6-1
Farmers State Bank, Scotia	6-1
Nebraska State Bank, Humboldt	6-3
Farmers State Bank, Stella	6-3
Beemer State Bank, Beemer	6-4
The Security Bank, Creighton	6-4
Rosalie State Bank, Rosalie	6-4
State Bank of Litchfield, Litchfield	6-5
Overton State Bank, Overton	6-5
Brady State Bank, Brady	6-6
Maxwell State Bank, Maxwell	6-6
American State Bank, Big Springs	6-7
State Bank of Champion, Champion	6-8
Lamar State Bank, Lamar	6-8
Madrid Exchange Bank, Madrid	6-8
State Bank of Haigler, Haigler	6-10
Citizens State Bank, Benkelman	6-11
Burton State Bank, Burton	6-11
Perkins County State Bank, Grinton	6-11
Inman State Bank, Inman	6-11
First State Bank, Bertrand	6-21
Allen State Bank, Allen	6-22
Abie State Bank, Abie	6-24
Farmers State Bank, Dalton	6-26
Citizens State Bank, Superior	6-26
Farmers and Mechanics Bank, Havelock	6-27
Dawson County State Bank, Lexington	7-10
St. Libory State Bank, St. Libory	7-11
Farmers State Bank, Newman Grove	7-16
American State Bank, Kearney	7-27
Peoples State Bank, Wolbach	8-5
Nemaha County Bank, Auburn	8-12
Newman Grove State Bank, Newman Grove	8-16
The Brunswick State Bank, Brunswick	8-22
Farmers State Bank, College View	8-22
Farmers & Merchants Bank, Edison	9-9
Farmers State Bank, Clarks	9-10
Bank of Burchard, Burchard	9-20
Richfield State Bank, Richfield	9-28
Farmers State Bank, Chapman	10-4
Bank of Eagle, Eagle	10-11
Antelope State Bank, Neligh	10-18
Citizens State Bank, Clearwater	10-22
Nebraska State Bank, Valparaiso	10-25

<u>Name of Bank</u>	<u>Date Suspended</u>
	<u>1929</u>
Marion State Bank, Marion	11-16
American State Bank, York	11-18
Cairo State Bank, Cairo	11-20
Farmers State Bank, Cairo	11-20
Bank of Polk, Polk	11-23
Irrigators Bank, Scottsbluff	11-23
Bank of Commerce, Ong	11-25
Farmers Exchange Bank, Tamora	11-26
Farmers State Bank, Curley	12-6
Farmers State Bank, Belgrade	12-7
Loup City State Bank, Loup City	12-11
Elkhorn Valley Bank, Stanton	12-13
Security Bank, Meadow Grove	12-14
Farmers State Bank, Overton	12-16
Harrison State Bank, Harrison	12-18
Ashland State Bank, Ashland	12-23
Farmers State Bank, Hallam	12-26
Exchange Bank, Gibbon	12-31
	<u>1930</u>
Bank of Sprague, Sprague	1-4
Farmers & Merchants Bank, Elmcreek	1-7
Citizens State Bank, Ravenna	1-7
Bank of Cedar Bluffs, Cedar Bluffs	1-8
Cadams State Bank, Cadams	1-14
Ranchers State Bank, Cody	1-22
First State Bank, Lincoln	1-24
Nebraska State Bank, Milford	1-25
Bank of Ashton, Ashton	2-3
Chadron State Bank, Chadron	2-5
Bank of Bayard, Bayard	2-6
First State Bank, Alliance	2-6
Security Savings Bank, Beatrice	2-15
Hinds State Bank, Odell	2-15
Farmers State Bank, Loomis	2-18
Merchants Bank, Utica	2-18
The First Bank of Miller, Miller	2-24
Nebraska State Bank, O'Neill	3-3
American Bank, Mitchell	3-3
Farmers and Merchants Bank, Wymore	3-15
Bank of Julian, Julian	3-18
Bank of Douglas, Douglas	3-27
Community State Bank, Glenrock	3-28
Exchange Bank, Ong	3-28
Citizens State Bank, Thedford	3-31

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Name of BankDate Suspended1930

Loretto State Bank, Loretto	4-4
State Bank of Belvidere, Belvidere	4-15
Farmers and Merchants Bank, Weston	4-15
State Bank of Colon, Colon	4-16
Malmo State Bank, Malmo	4-16
Oak Creek Valley Bank, Valparaiso	4-16
Farmers State Bank, Newport	5-5
Bank of Florence, Omaha	5-8
State Bank of Touhy, Touhy	5-10
Citizens State Bank, Wahoo	5-10
Nebraska State Savings Bank, Wahoo	5-10
Arnold State Bank, Arnold	6-16
Security State Bank, Arnold	6-19
Battle Creek Valley Bank, Battle Creek	6-23

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421.11 (10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
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A. M. MEADAMS
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 3, 1931

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We are sending you today by express the reports which we have received from the Nebraska State banking department, covering Nebraska State banks which suspended during the period from January 1, 1921, to June 30, 1930. Reports covering suspensions for the last six months in 1930 are now being prepared and will be forwarded to you as soon as received.

The following comments are made for your better understanding of the reports:

The reports on those banks which suspended after having been taken over by the Guarantee Fund Commission and operated by the Commission for a time, carry supplementary information to show the liquidation accomplished during the so-called going bank period.

The banking department advises as follows, with reference to classification of claims as shown on the schedules:

"Bills Payable (secured) were shown as Secured Claims, Preferred Claims contained only claims on deposits liabilities; General Claims included the amount shown as other liabilities on the statement which in many cases represented the amount due the Guarantee Fund. In cases where the amount shown as general claims allowed exceeded the amount of other liabilities the excessive amount included depositors' claims and other general claims which could not be segregated."

Further information in this connection, and a reply to the question in Mr. Riddle's letter of December 12, as to statutory priority of liens, is given in the department's letter to us of December 26. A copy of this letter is enclosed, together with copies of the Nebraska banking laws referred to.

It was not found practicable to supply data on assessments levied and collected prior to suspension, as in most cases the records available did not show this information. Assessments made after suspension are shown in all cases where such assessments were levied.

Mr. E. A. G. 2 2-3-31

Various reports show that reorganizations were effected by a waiver of deposit claims, as provided by the so-called "85 per cent law" (Section 8029, Nebraska Banking Laws, 1929), the enabling section of which is quoted below:

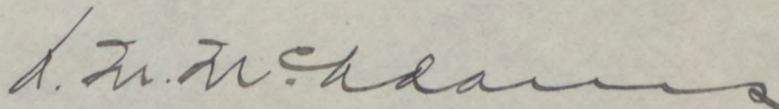
"If the Secretary of the Department of Trade and Commerce with a view of restoring the solvency of any bank of which the department has taken charge pursuant to law shall approve a reorganization plan entered into between depositors and unsecured creditors representing eighty-five per cent or more of the total amount of deposits and unsecured claims of such bank on the one hand and the bank or reorganizers thereof on the other, then and in such case all other depositors and unsecured creditors shall be held to be subject to such agreement to the same extent and with the same effect as if they had joined in the execution thereof, and their claims shall be treated in all respects as if they had jointed in the execution of such articles of reorganization, in the event of restoration of such bank to solvency and the reopening of the same for business."

The department writes as follows in explanation of instances in which the schedules show claims allowed considerably in excess of deposit and bills payable liabilities shown in Section 6:

"There are a few cases where claims allowed are shown in amounts considerably greater than total deposits and where there are no notations to indicate that the receiver found deposits liabilities not shown on books of the banks. Some of these cases are found in reports for the Bank of Ashton, Farmers State Bank, Benedict, Nebraska State Bank, Harvard, The State Bank of Papillion, and the Beemer State Bank, Beemer. In these cases funds of the bank were embezzled and the proper establishment of claims was made after the suspension."

We shall be glad to endeavor to supply information on any questions which may arise during your study of the reports.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

C O P Y

STATE OF NEBRASKA

Department of Trade and Commerce
Receivership Division

Lincoln

December 26th, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank,
Kansas City, Mo.

Dear Mr. McAdams:

I have a copy of your letter to Mr. H. G. Kirchhoff, who has been compiling for you reports on liquidation in failed state banks in Nebraska, covering a ten year period ending June 30th, 1930.

Mr. Kirchhoff called my attention to your recent letter with reference to the classification of claims filed against insolvent state banks in our state. For your information I am sending you, under separate cover, a copy of our Nebraska Banking Laws of 1929, together with a pamphlet containing laws passed in the Special Session of our Legislature this year. We call your particular attention to page 8, Section 8033 of the pamphlet, relating to the priority of claims and the classification thereof. During the time that the Depositors' Guarantee Fund Law was on our books, claims of depositors had a first lien on the assets of the bank, subject only to taxes due the county, state and federal governments. All claims of depositors were classified as valid, preferred claims, where such claims complied with the requirements of the Statute. We have another class of valid claims which were classified as "General Claims". These claims are claims based upon bills payable, supplies furnished the bank during the time it was operated by its officers, claims for wages and other similar items, in fact general claims covers everything except claims on deposits. In 1929 the Legislature passed the Bankers' Collection Code Law, beginning on page 62 of the 1929 laws as published in the booklet which I am sending you, and I refer you particularly to section 12 of this, and shown on page 67. This act creates what might be known as a Statutory Trust Fund, and since the passage of this law there have been a large number of claims classified by us as trust funds, when they come within the provisions of this act. This particular class of claims is based upon drafts issued in clearings, or upon drafts which are issued to correspondent banks in payment of cash letters, or which might represent items collected by a country bank for the benefit of its city correspondent, but upon which the country bank failed to issue its draft.

The fact that we had the Depositors' Guaranty Fund on our Statutes has made the classification of claims very much different in Nebraska than in states where such a law has not been in effect, and entirely different from the settlement or classifying of claims used in National Bank receiverships. General claims in our state have had very little value, as the Depositors' Guaranty Fund was subrogated to the rights of the depositors so far as the assets are concerned, and as we have very very seldom paid out a bank in full from the assets, there has been nothing left for the benefit of general creditors except their proportionate share of what might be realized on stockholders' liability. General creditors participate

in stockholders' liability along with the Depositors' Guaranty Fund or creditors whose claims have been allowed as valid, preferred claims. We realize that the method of classifying claims in Nebraska is going to make it somewhat difficult to analyze the receiverships in Nebraska on a uniform basis as compared with other states, and it will be necessary for the men who are handling this particular work to take our laws into consideration, by placing of valid preferred claims in the same class as general claims in national receiverships, or in receiverships where a guaranty fund has not been in force, and to place general claims in a class similar to invalid claims in national receiverships.

After you have completed your analysis of our Nebraska receiverships, we would appreciate it if you will furnish us a copy of the analysis as made by your accountants. We have never gone to the expense of having one of these analyses made with reference to all of our insolvent banks, and we would like to have this information if it will be available.

If there are any other questions which arise from time to time, if you will address your letters to me I will endeavor to give you such information as we have gained in handling insolvent banks in Nebraska. I have been connected with the handling of insolvent banks, and with the Banking Department, since 1920, and believe that I can answer satisfactorily most any questions which may be in doubt so far as your accountants are concerned.

Yours very truly,

(Signed) C. G. Stoll

Chief, Receivership Division

421.11(10)

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS
ASST. FEDERAL RESERVE AGENT
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 3, 1931

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FEB - 5 1931
DIVISION OF RESEARCH
AND STATISTICS.

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We are sending you by express today the reports covering Oklahoma banks which suspended during the period from January 1, 1921, to September 16, 1930. We have not yet received reports covering suspensions between September 16 and December 31, 1930, but the State banking department advises that these will be furnished within a short time.

The following comments are made for your better understanding of the Oklahoma reports:

In reply to the questions submitted in Mr. Riddle's letter of December 12, as to statutory priority of lien and the types of deposits reported on the schedules as secured, preferred, and general claims, the banking department has advised as follows:

"The State courts in Oklahoma have been allowing preference claims so fast in the past two years that the preferred deposits cover practically every kind of a claim. In general, however, they are escrow deposits, Government post office deposits, Government Indian funds, and drafts for collection. Secured claims cover State, county, city, and other treasurers' accounts secured by collateral or the above accounts secured by collateral together with a surety bond."

Deposits other than the types mentioned above are shown as general claims in the suspension schedule.

Guaranty fund payments are shown for only a few of the banks which suspended during the period of this study. In this connection the State department advises as follows:

"For your information, the guaranty fund law in this State was repealed in March, 1923, and the fund was practically insolvent in the latter part of 1920."

We shall be glad to have you make inquiry on any questions which may arise in your study of the reports.

Very truly yours,

A. M. McAdams
Assistant Federal Reserve Agent

ans. 2-6-31

MCA/H

421, 11 (10)

February 3, 1931.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In our letter of January 16th we requested that you extend the earnings project to include the year 1930 working out Tables I-e, II-e, III-e, IV-e, and V-e for that year as was done for each of the previous four years. In grouping banks for Table II-e according to the size of the community in which located we had suggested in our letter of October 20th that you use with respect to each of the four years 1926-1929 the population figures given in the January 1928 edition of Rand McNally's Bankers Directory. In connection with Table II-e for the year 1930, however, we believe it desirable to use the new census figures of population for 1930 which we understand are now available.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

WM. L. PETRIKIN
DEPUTY CHAIRMAN
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

February 2, 1931

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FEB -4 1931
DIVISION OF RESEARCH
AND STATISTICS.

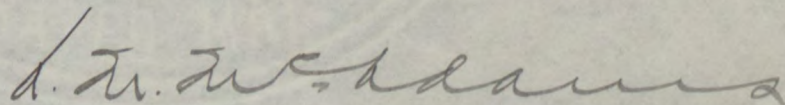
Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

We are forwarding to you by express reports on Forms IV-e and V-e for each of the years 1926 to 1929, inclusive, showing the typical operating ratios provided for in the respective forms, together with corresponding reports which show aggregates of the operating ratios of each group.

For our use in the preparation of similar information for the year 1930, we shall be glad to have you send us twenty-five copies of each of the Forms I-e, II-e, and III-e.

Very truly yours,



Assistant Federal Reserve Agent

MCA/H

421.11 (10)

January 27, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

In accordance with the request contained in
your letter of January 21st we are enclosing herewith
800 blank forms for analysis of bank earnings.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

421.11(10)

January 23, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

We received your letter of January 21st requesting 800 blank forms for analysis of bank earnings. We find that our supply of these forms has been exhausted, but we are having more printed and will forward them to you about next Tuesday.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

January 21, 1931

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DIVISION OF RESEARCH
AND STATISTICS.

Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention E. A. Goldenweiser, Chairman,
Committee on Branch, Group and Chain Banking

Receipt is acknowledged of your letter of January 16, advising that your Committee wishes us to extend the study on earnings and expenses of national banks to include the year 1930.

If you have an ample supply of the printed form used for recording the various ratios and condition, earnings, and expense items, we shall be glad to have you send us eight hundred copies. If you do not have an ample supply of the form, we can have a suitable form prepared here without great inconvenience.

Very truly yours,

A. M. McAdams
Assistant Federal Reserve Agent

MCA/H

421. 11(10)

January 16, 1931.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In connection with the earnings project of this Committee upon which you are working, it has been decided to request the Reserve banks to supply us for the year 1930 with the tabulations heretofore requested for the years 1926, 1927, 1928 and 1929. Accordingly Tables I-e, II-e, III-e, IV-e and V-e should be compiled in the same way for 1930 as was done for each of the other four years. As our original request with respect to deviations required that work for one year only, the present request entails nothing additional on deviations.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

421.11(10)

January 10, 1931.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Receipt is acknowledged of your letter of
January 7th enclosing revised copies of tables I-e,
II-e and III-e for various states in your district
for the four years 1926-1929.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Mr. Riddle
421.11/10

FEDERAL RESERVE BANK
OF
KANSAS CITY

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CHAIRMAN BOARD OF DIRECTORS
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

January 7, 1931

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

The work of tabulating earnings and expense ratios on Forms IV-e and V-e has brought to our attention a number of instances in which banks were placed in the wrong group in our tabulations on Forms I-e, II-e, and III-e. The groupings for these reports have been re-checked, and we are enclosing the following corrected reports to be substituted for those forwarded with our letter of November 21:

Table I-e:

- 1926 - Colorado, Missouri, and Nebraska
- 1927 - Kansas, Missouri, Nebraska, and Oklahoma
- 1928 - Colorado, Kansas, and Oklahoma
- 1929 - Kansas and Oklahoma

Table II-e:

- 1926 - Nebraska
- 1928 - Kansas and Oklahoma
- 1929 - Kansas and Oklahoma

Table III-e:

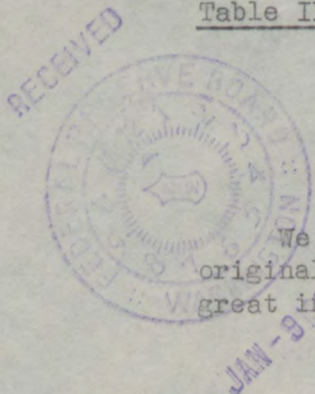
- 1926 - Nebraska
- 1927 - Colorado and Nebraska
- 1928 - Kansas and Oklahoma
- 1929 - Kansas, Nebraska, and Oklahoma

We are sorry that these tabulations were incorrect as originally submitted, and hope that the errors may not occasion great inconvenience.

Very truly yours,

Assistant Federal Reserve Agent

McA/H
Enc.



421. 11/10

December 20, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In our letter of July 26, 1930, submitting the schedule on suspensions you were requested to ask the state banking departments to prepare a schedule for each suspension from January 1, 1921, to June 30, 1930. At a recent meeting of our Committee it was decided that the period should be extended to the end of 1930 in order to bring the information up to date and round out the full ten year period. Therefore, we should like for you to have schedules prepared for the failures during the second half of 1930, in addition to those which have been prepared or are being prepared in the states whose capitals are located in your district.

Your bank or the various state banking departments will doubtless have on hand a sufficient supply of forms to cover the additional suspensions. If not, we can make arrangements to supply them.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

421.11 (10)

December 19, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The question of the expense incurred by the various Federal reserve banks in connection with the investigations of the Committee on Branch, Group and Chain Banking was brought before the full meeting of the Committee on December 16, 1930. It was the view of the Committee that all payments by the Federal reserve banks to state commissioners of banking or other outside agents or individuals for compiling data or for other services in connection with the Committee's work should be borne by the Committee.

Wherever the expense represents work done by the bank itself, however, even though it entails the hiring of additional help, the Committee felt it should be borne by the bank. It was suggested in this connection that if the work done by the Federal reserve banks for the Committee cannot be taken care of by their regular budgets, then the expense incurred on account of the work of the Committee should be shown as a separate item.

I suggest that at your convenience you send us an itemized statement of your payments for outside assistance, if any, in order that we may reimburse your bank and carry the amount as a Committee expense.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking.

421.11 (10)

December 17, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

In response to the request contained in your telegram of December 16th we are sending you herewith 100 additional copies each of tables IV-e and V-e for recording typical operating ratios.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

TELEGRAM

421. 11 (10)

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

RECEIVED AT WASHINGTON, D. C.

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Kansascity Dec 16 253p

Board

Washn (Attn Riddle)

Please send us 100 copies each of tables IV-E and V-E for recording
typical operating ratios

Mcadams

403p

421.11 (10)

December 15, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

In accordance with your telegram of Decem-
ber 15th we forwarded to the Bank Commissioner of Kansas
200 additional copies of form A-3 relative to bank changes
during 1921-1930.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421. 11 (10)

December 15, 1930.

State Bank Commissioner,
Topeka,
Kansas.

Dear Sir:

12-15-30

In accordance with a telegram received today
from the Federal Reserve Bank of Kansas City we are
sending you herewith 200 additional copies of form
A-3 relative to the study of the changes in the number
of banks for the years 1921-1930.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

421.11(10)
RECEIVED
DEC 15 1930
DIVISION OF RESEARCH
AND STATISTICS

151gb

Kansascity Dec 15 11:40am RECEIVED AT WASHINGTON, D. C.

Riddle

Board Washn

Please mail 200 copies of form A-3 bank changes during
1921 -1930 direct to bank commissioner topeka kas
advising us

Mcadams

101p

421.11 (10)

December 12, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In tabulating the data reported on the suspension schedules by the various states it is apparent that in the case of certain items the material reported is not uniform for all states, and that for purposes of comparison an explanation of what is included is needed. This is true of sections 7, 8, 9 and 10. Would it be possible to secure the following information for each state in your district which has prepared or is preparing suspension schedules?

- (1) The statutory priority of lien of the various types of deposits in each state
- (2) Precisely what type or types of deposits are reported on the suspension schedules as (a) secured, (b) preferred and (c) general

The schedules ask for reports on deposit claims only, but in case other claims have been included by any state this fact should be stated, and the information requested above should likewise be furnished for these other claims.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11(10)

December 10, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Thank you for your letter of December 6th advising us of the status of the work in your district regarding suspensions schedules.

We appreciate very much the way you are handling this work in your district and the effort you are making to have the schedules as complete and accurate as possible before returning them to us. Thoroughness and accuracy in so far as they are attainable are far more important in this study than speed.

Very truly yours,

J. H. Riddle
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
WM. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, DEP. GOV. AND CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

December 6, 1930

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

* We wrote you on October 21,²² advising the progress of the several studies being conducted in this district at the request of your Committee, and since the reports covering suspended State banks have not been completed in accordance with the estimates made, we are writing to inform you as to the present status of this work.

Colorado:

The reports furnished by the Colorado banking department were lacking in a good many particulars, and we wrote the department on November 5, requesting additional information from which we hoped to so supplement and complete the reports as to materially increase their value for your purposes. No reply has been received to our letter, but we hope the requested information may be received within a short time.

Kansas:

The reports on suspended Kansas banks were received by us a few days ago, and we find therein a good many omissions, inconsistencies, and other defects which we are calling to the attention of the Kansas banking department, and attempting to correct by correspondence.

Nebraska:

We have just received one hundred of the three hundred twenty-five or more reports to be furnished for Nebraska, with advice that an additional hundred reports are now being typed and that the balance of the reports for that State can probably be completed by about the first of the year. We have written for certain supplemental and explanatory data in connection with the reports in our hands, and as soon as a reply is received we will forward the reports to you, with the thought that after inspection you may wish to make some suggestions with regard to the completion of the reports yet to be furnished.

Mr. J. H. R. 2 12-6-30

New Mexico:

We are endeavoring to complete the New Mexico reports by correspondence direct with the several district judges whose courts handle liquidations in that State. We have received the desired information on a few of the banks, and hope to be able to complete enough of the reports to enable your Committee to make some use of the figures from that State.

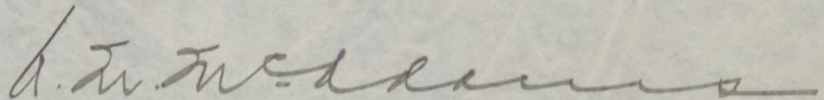
Oklahoma:

The Oklahoma reports have been returned to the banking department for the addition of information on assessments levied and paid. The man in charge of this work in Oklahoma was necessarily absent from his work for a two weeks' period, but he informs us that we may expect to receive the completed reports within a short time.

Wyoming:

The Wyoming reports have not been completed, but we are informed that they should be in our hands within the next week or ten days.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11(10)

November 24, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

We acknowledge with thanks the receipt of your
letter of November 21st enclosing completed tables I-e,
II-e and III-e covering each of the states or parts of
states in your district for the years 1926, 1927, 1928,
and 1929.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

November 22, 1930

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In our letter of November 12th we outlined a proposal for classifying the banks of the country according to size of loans and investments and according to size of capital stock. In order to supplement that data it seems desirable to make an additional classification, that is, according to the size of the towns or cities in which the banks are located. Accordingly we have prepared and are enclosing two additional forms, B-8 and B-9, for classifying state and private banks according to population on three different dates; June 30, 1920; June 30, 1925; and June 30, 1930. In accordance with previous practice you are requested to compile this information for the banks in those states whose capitals lie within your district.

For 1920 and 1930 the census figures of population should be used. The detailed 1930 figures for about half of the states have already been completed, and it is understood that by the end of December the figures for all states should be available. For 1925 the Bankers Directory will have to be relied upon.

Very truly yours,

E. A. Goldenweiser,
Chairman, Committee on Branch,
Group and Chain Banking.

* Enc.

* See letter of same date in subject file on
Classification of Banks

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
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M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

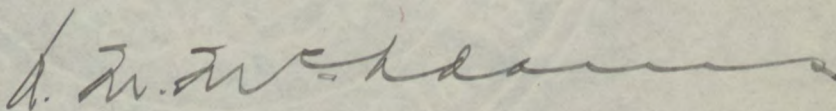
November 21, 1930

Mr. J. H. Riddle,
Secretary,
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

We are enclosing completed tables I-e, II-e,
and III-e, covering each of the States or parts of
States in our district for the years 1926, 1927,
1928, and 1929, prepared from our analysis of
earnings and expenses of national banks in this
district for each of the years named.

Very truly yours,



Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

November 21, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In our letter of November 15th we made a request for information to be procured from the state banking commissioners on changes in the number of state banks since 1920. In order to supplement that data and make the study more complete, it seems desirable to get similar information on changes in the number of private banks. It may be necessary, however, for the Reserve Bank itself to compile the greater part of these data for the reason that in many states the commissioners have no supervision over private banks at all, and in others they have only partial supervision. The unsatisfactory nature of available figures on private banks may be indicated by the fact that the Comptroller of the Currency reports 391 as of June 29, 1929, whereas the Bankers' Directory for January 1930 shows 616. Even in states where the commissioner has supervision, the number of private banks reported is sometimes only half the number shown in the Bankers' Directory. In spite of such discrepancies, however, it is apparent from a cursory examination of the available sources that private banks are almost always small institutions, and that they have been declining very rapidly in number and in relative importance.

The Committee believes that statistics of this decline should be assembled, and is making the request that each Federal Reserve bank compile, or have compiled, the figures for those states whose capitals lie within its district for the period from 1920 through 1930. Forms A-4 and A-5, copies of which are attached, have been prepared for this purpose; A-4 to show the summary of changes, and A-5 to give the supporting data for each bank making a change. Unless there is better information in your files or readily procurable from the state commissioners, the Bankers' Directory may be used as the basis of the study. We understand, of course, that in many cases all the information called for on Form A-5 will not be available, but in every case we should like to have at least the name or names of the banks involved in the change.

The Definition of Terms sent you with our letter of November 15th, 1930, in connection with the study of state bank changes may be followed in principle for private banks. The term "consolidation" will apply to the absorption of a private bank by a state

Mr. H. L. McClure #2

November 21, 1930.

or national bank, as well as to the union of one private bank with another; and the term "conversion" will apply where a private bank incorporates and without union with another bank continues its business under state or national charter.

Very truly yours,

E. A. Goldenweiser,
Chairman, Committee on Branch,
Group and Chain Banking.

*~~Enc.~~
* See letter of same date in subject file on Bank
Changes.

421.11(10)

November 20, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Your telegram of November 20th raised a question regarding the reference in Dr. Goldenweiser's letter of November 15th to the Committee's suspension schedule. You are correct in assuming that we merely referred to the reports on individual suspensions which are in process of preparation and intended to enclose a blank schedule in order to call your attention to it.

It was our intention in the new study on bank changes not to ask for a duplication of the work on suspensions and reopenings and that the individual suspension schedules could be tabulated in order to give the totals called for on Form A-2. In other words, it is not necessary to prepare Form A-3 for the suspensions and reopenings.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

421.11 (10)
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DIVISION OF RESEARCH
AND STATISTICS.

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RECEIVED AT WASHINGTON, D. C.

Kansascity Nov 20 1012am

Goldenweiser

Washington.

The memoranda forwarded with your letter of november 15 state that suspensions and reopenings have already been reported on the committees suspension schedule and that a copy is attached. No copy was attached but we presume to reference is to the reports on individual suspensions which, in our district, are still in process of preparation please advise

Mcadams

1140am

421.11 (10)

November 17, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

In accordance with your letter of November 15th
I am sending you herewith about 475 additional copies of
the suspension schedule. These are all we have left at
the present time, and if you anticipate a further demand
in your district, will you please let us know so that
we can have more printed?

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

Enc.

421.11 (10)

November 17, 1930.

Mr. A. H. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Receipt is acknowledged of your letter of
November 12th with the completed questionnaire pre-
pared by the First National Investment Corporation.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
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W. J. BAILEY, GOVERNOR
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. RIPKIN, ASST. CASHIER

November 15, 1930

NOV 17 1930 AM



FORWARDED

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

One of the State banking departments in this district has requested additional forms for use in reporting on bank suspensions, and we shall therefore appreciate it if you will forward this office five hundred of such forms.

Very truly yours,

Assistant Federal Reserve Agent

H

421.11 (10)

November 15, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

We are sending you herewith an outline of a study regarding the changes in the number of banks since 1920 which the Committee on Branch, Group and Chain Banking has prepared as a part of its investigation of banking concentration in the United States. The figures regarding changes in national banks have already been compiled as shown on the attached forms and it is the desire of the Committee to complete this study by getting corresponding summaries of changes in the number of state banks. The enclosed material is self-explanatory, and we request that you forward it to the Banking Commissioners of the states whose capitals are in your district and ask them to give us the information indicated. The forms for their use in compiling this information are being sent to you under separate cover.

The period covered by the inquiry includes the year 1930, but it is our desire that the material for prior years be prepared and forwarded to us as soon as possible without waiting for the 1930 figures. The latter may be added as soon as possible after the end of the year.

Very truly yours,

E. A. Goldenweiser,
Chairman, Committee on Branch,
Group and Chain Banking.

*Enc.
* See letter of Nov. 15 in subject file on Bank Changes.

421.11(10)

November 12, 1930

Mr. M. L. McClure
Federal Reserve Agent
Federal Reserve Bank
Kansas City, Missouri

Dear Mr. McClure:

In connection with its various investigations the Committee on Branch, Group and Chain Banking finds it essential to have the banks of the country classified according to size of loans and investments and according to size of capital stock. This information is necessary in the study of banking concentration, as well as for comparisons in the study of failures and in the development of branch banking. Accordingly a set of blank tables has been prepared for making these classifications of State and private banks on three different dates, June 30, 1920, June 30, 1925, and June 30, 1930. Copies of these forms, which are labelled B-3, B-4, B-5, and B-6, are enclosed herewith and the Committee would like for you to have this information compiled for those states whose capitals lie within your district. A supply of these forms is enclosed.

In classifying the State banks you can probably use the reports of the State banking departments or even secure directly the assistance of these departments. If, however, it becomes necessary in any case to use the Bankers Directory for this material, you can doubtless first get from the banking department a list of all the banks in the state on the specified dates in order that your totals may agree with the official records. As to the private banks, the information may be somewhat more difficult to compile except where they are under the supervision of the state commissioner of banking. In other states, of course, the Bankers Directory will have to be relied upon.

In determining what items should be included in loans and investments we suggest that you follow the instructions given in articles 1 to 4 inclusive of the Board's Form 105a, a copy of which is enclosed. This will insure uniform treatment at the three dates in the various states.

Very truly yours,

E. A. Goldenweiser
Chairman, Committee on Branch,
Group and Chain Banking

*Enclosures

* See letter of same date in subject file on Classification of Banks.

421.11(10)

November 12, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

We are sending you herewith a supply of Tables IV-e and V-e which are to be used in further tabulating information compiled in connection with the earnings project outlined to you in our letter of August 11th. There is also enclosed a memorandum on the method of filling out these tables.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

*Enc.

* See letter of same date in subject file on Earnings.

421, 11 (10)

C O P Y.

November 5, 1930.

Mr. Grant McFerson,
State Bank Commissioner,
State of Colorado,
Denver, Colorado.

Dear Mr. McFerson:

1 We have gone over the reports which you forwarded to us recently, covering Colorado State banks which suspended since January 1, 1921, and there are a number of points on which we shall be glad to have you give us some further information, if possible.

2 Under question 12 of the report forms, there are a few cases in which the question as to whether there were any assessments on directors or stockholders is answered "yes," a few cases in which the answer to this question is "no," and on the other reports, covering a large majority of the suspended banks, the form indicates that no data relative to assessments are available. Since in most of the cases where banks have been finally liquidated the information given under question 10 of the report forms shows an amount realized from assessments on shareholders, we think it probable that in your answers to question 12 you have purposely taken no account of assessments for double liability of shareholders. In order that the Committee may be as fully informed as possible when it comes to make a study of the Colorado reports, it will be appreciated if you will answer the following questions:

3 Is an assessment levied under the law providing for shareholders' double liability in each case of a suspended bank, whenever it becomes apparent that liquidation of assets will not provide funds to pay liabilities in full?

4 In those cases where the replies to question 10 indicate an amount collected from assessments on shareholders, will we be correct in assuming that the amounts so shown as collected represent all of the collections which were made under assessments for double liability?

5 In the cases of the First State Bank of Mesita and the Italian-American Bank of Denver, both of which have been finally liquidated, with payments of general claims of 11.1% and 11-1/3%, respectively, were any double liability assessments levied on stockholders, and if so, were there no collections made on such assessments? The information given under question 10 of the reports on these two

ans. 5-9-31

suspensions does not show any collections from assessments on shareholders, and the answers to question 12 of the two reports are shown respectively as "No" and "no data."

6
The answer "no" is shown for question 12 of the reports of the following named banks, although question 10 of the reports shows that there were collections in each case from assessments on shareholders. Do the negative answers to question 12 mean that there were no assessments other than the double liability assessments? The banks referred to are listed below, together with the amount shown as collected from assessments:

Denver State Bank, Denver, Colorado	\$ 3,080.00	
Farmers and Merchants Bank, Jarose, Colo.	385.00	
Farmers State & Savings Bank, Akron, Colorado	7,380.58	
Security State Bank, Sheridan Lake, Colorado	50.00	
✓ Farmers State Bank, Windsor, Colorado	13,196.00	
✓ North Park Bank, Walden, Colorado	24,112.00	
✓ Capitol Hill State Bank, Denver, Colorado	22,500.00	
✓ Routt County Bank, Oak Creek, Colorado	10,659.00	
Greeley Loan and Trust Co., Greeley, Colo.		*Depositors in this bank were paid in full and there is a notation on the report form that a shareholders' assessment was paid, but the amount not recorded.

7
In addition to the foregoing banks, the report for the Norwood State Bank shows, under question 12, that no assessments were levied. This bank is still in process of liquidation, and I presume that a shareholders' assessment has been or will be levied and that the answer "no" refers to other assessments. Is this correct?

8
Question 12 on a number of reports is answered "yes," with no data, however, as to dates and amounts of assessments or collections thereunder. I presume that these answers refer to assessments other than those for double liability, and that it is impracticable to attempt to make such a thorough review of old records as would furnish dates and amounts. Is this assumption correct? The banks referred to are listed below, together with notations of amounts shown under question 10 as collections from assessments on shareholders:

✓ Citizens State Bank, Ordway, Colorado	\$ 14,263.00
North Denver Bank, Denver, Colorado	39,208.00
✓ Lincoln State Bank, Arriba, Colorado	845.00
Farmers State Bank, Flagler, Colorado	No data
Eastlake State Bank, Eastlake, Colorado	No data
✓ Bank of Telluride, Telluride, Colorado	No data
✓ Pioneer State Bank, Denver, Colorado	No data
✓ First State Bank, Aguilar, Colorado	No data

The four banks last named are still in process of liquidation, but

The Farmers State Bank of Flagler has been finally liquidated. Does the omission from question 10 of the report on that bank of a statement of amount collected from assessments on shareholders mean that no double liability assessment was levied, or that having been levied, no collections were made thereunder?

Amounts collected from assessments on shareholders, as shown by replies to question 10 of a number of the reports, are reported as in excess of the suspended banks' capital stock. Presumably most of the amounts so collected were under double liability assessments. We shall be glad to have your advice on this, with any explanation available of the fact that such collections exceeded 100%. The banks referred to, and amounts noted as collected for assessments on shareholders, are as follows:

<u>Bank</u>	<u>Capital</u>	<u>Collected from Assmts. on Shareholders</u>
✓ Goodrich State Bank, Goodrich, Colo.	\$ 10,000.00	\$ 14,000.00
✓ Hibernia Bank & Trust Co., Denver,"	100,000.00	105,685.66
✓ Burlington St. Bank, Burlington, Colo.	15,000.00	19,000.00
✓ First State Bank, Clifton, Colo.	10,000.00	12,843.91
✓ Monument State Bank, Monument, Colo.	10,000.00	14,001.00
✓ Bank of Gypsum, Gypsum, Colo.	25,000.00	29,329.00
✓ Farmers State Bank, Otis, Colo.	25,000.00	26,021.00

10 A note on the report of the Commercial State Bank, Antonito, which was reopened, states that new stockholders paid in certain amounts. Can you advise as to any assessments levied on the old stockholders, and payments thereunder?

11 Also please advise, if possible, whether any assessments were levied and collections thereunder made from old stockholders of the American State Bank, Grenada, which was reopened without loss to depositors.

12 We observe that in each case where a bank has been finally liquidated the amount reported as secured claims allowed, in the schedule under question 10, corresponds exactly with the amount of borrowings from other banks, shown under question 6. The item of secured claims would naturally include State, municipal, and other deposits which might be secured by a pledge of assets of the bank, and would ordinarily be paid in full, or practically so. It seems probable that there were such deposits in some of the suspended banks, but if there were, I am at a loss to know how the claims and payments thereon were treated in the schedule under question 10. Your advice in this matter will be appreciated.

13 We observe that in each case where liquidation has been completed, the total amount shown under question 10 as paid out on claims is the same as the total amount of collections from liquidation of assets and other sources. This leaves no margin for expenses of liquidation and presents a question which, without explanation, will be confusing in any study of the reports. Will you please inform us about this?

To Mr. G. McF. 4 11-5-30

I hope that your records and your knowledge of the various suspensions will enable you to supply the information requested above, since this information will make it possible for us to make explanatory notations on the Colorado reports which I believe will so complete them that they should be understandable to the Committee.

Very truly yours,

Assistant Federal Reserve Agent

MCA/H

721.11(10)

October 25, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

We have received your letter of October 22nd enclosing copies of information furnished by the Keystone Corporation, Kansas City, Missouri, and the Southwest Bank Shares Corporation, Tulsa, Oklahoma. We have also received your letter of the same date regarding the progress of the three studies being conducted in your district for the Committee.

You state that in regard to the earnings study you will be ready within a week or ten days to tabulate for all four years the information on tables I-e, II-e, and III-e. This is commendable progress indeed and we appreciate the splendid cooperation which you have given us. We hope to send you within a few days two more tables for tabulating this material on a different basis.

With regard to suspensions in Nebraska I suggest that if possible without too much extra effort or cost the work there might be speeded up somewhat. We had hoped to have all this information by the middle or end of November in order to begin work here on our tabulations.

As to the situation regarding suspensions in New Mexico, I shall leave that largely to your judgment. Apparently the reports which you received from that state are very incomplete and we should like very much to have the additional data if it can be obtained without too much extra time and expense. If the reports from any one state are as incomplete as those, it naturally causes a substantial defect in our entire statistical study. Perhaps the district judges in New Mexico could be made to see the necessity for such a statistical study and would be willing to cooperate with either you or the commissioner in furnishing the necessary data from their records. I do not wish to insist upon this, however, if it entails an unreasonable outlay.

With reference to Oklahoma I suggest that you get whatever information may be available regarding assessments at the time of suspension. It would be very useful and instructive, of course, to have the information regarding assessments prior to suspension; but if the records are such that it would be necessary to search through the correspondence files, reports

Mr. A. M. McAdams #2

October 25, 1930.

of examinations, etc., I doubt whether the time and effort would be justified. Perhaps the gentleman who is doing the work in that state could make some rough estimate as to the time and expense that would be involved. We found the same situation here in the office of the Comptroller of the Currency regarding assessments on national banks prior to suspension. In the latter case, however, we were able to get the total amount of assessments each year without having the dates or amounts of individual assessments.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

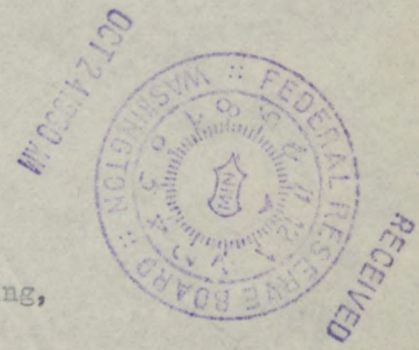
M. L. McCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

October 22, 1930



Mr. J. H. Riddle,
Secretary,
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

We are enclosing copies of the information furnished by the Keystone Corporation, Kansas City, Missouri, and the Southwest Bank Shares Corporation, Tulsa, Oklahoma, in reply to the questionnaire forwarded to us with your letter of July 18.

Requests for similar information were made of the United States Bank Shares, Inc., Tulsa, Oklahoma, and the First National Investment Corporation, Gallup, New Mexico. The last named company has made no response to our request, altho we have sent two follow-up letters since forwarding the questionnaire. The United States Bank Shares, Inc. advised under date of September 11 that the data were in process of preparation and would be forwarded as soon as possible.

The four corporations named above are the only bank stock holding corporations organized in this district of which we have knowledge, and the two companies which have so far failed to reply to the questionnaire are of minor importance. The First National Investment Corporation is, so far as we know, interested in only three banks, and in one of those its holdings are not large enough to give it much of a voice in the management. The United States Bank Shares, Inc. made a public announcement to the effect that it would acquire a substantial number of banks in Oklahoma and surrounding states. So far as we know, this corporation has made no real progress toward acquiring a group of banks, and it advised us by letter, on September 11, that "It is not contemplated that United States Bank Shares, Inc. will continue the program originally outlined."

Very truly yours,

Assistant Federal Reserve Agent

McA/H
Enc.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MCADAMS,
ASST. FEDERAL RESERVE AGENT
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

October 22, 1930

RECEIVED
OCT 24 1930
DIVISION OF RESEARCH
AND STATISTICS.

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Sir:

Replying to your letter of October 11, the progress made in the three studies being conducted in this district at the request of your Committee is as follows:

Group banking (questionnaire):

We made a request for the information covered by the questionnaire of the Keystone Corporation, Kansas City, the Southwest Bank Shares Corporation, Tulsa, Oklahoma, and the United States Bank Shares, Incorporated, Tulsa, Oklahoma, which are the three corporations mentioned in your letter of July 18, and also of the First National Investment Corporation, of Gallup, New Mexico. The four corporations named are, so far as we know, the only bank stock holding companies located in this district.

We have received no replies whatever to our requests for information from the First National Investment Corporation of Gallup, New Mexico, although we have made two follow-up inquiries since our original request, and we have not received the requested information from the United States Bank Shares, Incorporated, Tulsa, Oklahoma. That company has advised that it is preparing its report and that the information will be submitted to us as soon as possible, at the same time stating that "It is not contemplated that United States Bank Shares, Incorporated, will continue the program originally outlined."

The Keystone Corporation, of Kansas City, Missouri, and the Southwest Bank Shares Corporation, of Tulsa, Oklahoma, have submitted replies to the questionnaire, and copies of these replies are being forwarded to you under separate cover today. I think the information furnished by these two corporations may be taken as completing this study for our district, since so far as we have learned the United States Bank Shares, Incorporated, of Tulsa, has made no real start toward the building of a group banking system, and the First National Investment Corporation, of Gallup, New Mexico, is a small company which owns control of a substantial interest in two banks and a minor interest in a third bank. We shall, of course, forward to you promptly any replies to the questionnaire which we may receive from either of these companies.

Earnings:

The work of calculating and recording on the forms provided the earnings and expense ratios of member banks of this district is far enough along that

Mr. J. H. R. 2 10-22-30

✓ we expect to be ready within the next week or ten days to tabulate for all four years the information to be shown on the several forms submitted to us with your letter of October 10. 11

Suspensions:

Colorado:

We have received reports covering suspended Colorado State banks. The reports appear to be reasonable well prepared, although the bank commissioner states that the records of his office during the past ten years have not been kept in such a manner as to enable him to give the information called for in the schedule as completely or as accurately as would be desirable.

✓ Colorado reports give very little ~~real~~ information as to assessments levied or paid. We are corresponding with the bank commissioner in the hope that more detailed information under question 12 of the schedule may be secured, and in an effort to secure other items of information which appear to be omitted from certain of the reports.

✓ Kansas:

The Kansas banking department advises that the reports covering suspended Kansas banks should be in our hands within a few days.

✓ Missouri:

Missouri reports to be secured by the Federal Reserve Bank of St. Louis, since Jefferson City, the capital of the State, is located in the 8th Federal Reserve District.

Nebraska:

Our correspondence with the man in the Nebraska banking department who is compiling the reports for that State indicates that at the present rate of progress, all of the reports should be completed about January 1. The work in Nebraska is being done by an ex-employee of the State banking department who is taking some work in the University of Nebraska, at Lincoln, and who is able to spend only an average of about four hours each day on the suspended bank schedules. If it is important that an effort be made to speed up the work in Nebraska, please advise and we will see what can be done toward putting one or two more men on this work.

Please speed up

New Mexico:

The reports from New Mexico have been received, but they contain no data as to losses to depositors, claims allowed, dividends paid, collections effected, etc., under questions 7, 8, 9, and 10, and no information under question 12 as to assessments levied and collected. The only way in which this information can be secured appears to be through the nine district judges in the State, whose offices handle all matters in connection with the liquidation of the various suspended banks. The State bank examiner states that his office has no record of assessments levied and collected from stockholders of State banks prior to suspension, and he states further: "I have endeavored for the past four years to compile certain historical data concerning closed State banks, but my efforts

Mr. J. H. R. 3 10-22-30

Suggest further efforts

have met with consistent failure, inasmuch as I have no authority to compel these officers to furnish information on request." I shall be glad to have you advise whether you wish us to endeavor to get the desired information from the several district judges. I think it probable that some of the judges would cooperate with us fully, but in view of the experience of the State examiner, I doubt whether we could complete our report on all of the suspensions.

Oklahoma:

The Oklahoma reports have been submitted to us, and appear to have been very well prepared, and to be complete in all particulars, except that information given under question 12 of the schedule does not show the amount of collections made or assessments levied, nor dates of removal and amounts of unsatisfactory assets removed by individual stockholders. The man who prepared Oklahoma reports, who is the auditor of the Oklahoma banking department, states that it is impracticable to attempt to make such a search of correspondence files, reports of examination, and other records, as would permit a complete and accurate report of collections on assessments, and particularly, cases of voluntary or involuntary removal of assets by individuals. He indicates, however, that it would be possible for him to supplement the information already shown on the reports by showing the amount of collections made on assessments for double liability levied on stockholders at the time of suspension, and possibly collections effected on some of the other officially levied assessments.

I shall be glad to have your advice as to whether we should return the Oklahoma reports for this additional information, and your suggestion as to how much of a search of old records it is desirable to make in this connection.

Wyoming:

✓ The Wyoming banking department advises that the reports for that State will be completed about November 15.

Very truly yours,

A. W. McAdams

Assistant Federal Reserve Agent

McA/H

421.11 (10)

October 20, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In connection with Table II-c which was submitted to you with our letter of October 10th, the question has been raised as to what population figures should be used in classifying the communities in which banks are located. We feel that for our purpose the population figures for one year will be sufficient to make the classifications for each of the four years. We suggest, therefore, that you use the population figures given in the January 1928 edition of Rand McNally's Bankers' Directory.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

October 11, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

At the recent Conference of Governors and Agents it was suggested that the Committee on Branch, Group and Chain Banking make an estimate of the time when its report will be submitted. To do this it is necessary to have reports from the Federal reserve banks as to the status of information which they are compiling or having compiled for the Committee and an estimate as to the time when we may expect this information. Will you be good enough, therefore, to check up on the work in your district and give us an estimate as to when the material being prepared or collected on the following subjects will be completed:

Group banking (questionnaire)
Suspensions
Earnings

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

October 10, 1930.

Mr. H. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

Enclosed please find copies of three tables, Ie, Iie, and Iiie, for use in grouping information compiled on the "Analysis of Bank Earnings" blanks sent you with our letter of August 11th. A supply of these tables is being forwarded to you under separate cover. A copy of each table should be prepared for each state or fraction of a state in your district for each of the four years. These tables call for a primary grouping of banks according to the rate of net profits on invested capital and then regroupings according to the stubs.

It is requested that you send to us these tables for each year as you finish them without waiting for the completion of the whole project, as this will enable us to begin reviewing the material. The grouping of the banks on the basis of net loss or net profit to invested capital should be kept in that form for a time, if possible, as we shall send you presently a table form for presenting the typical operating ratios of banks according to this grouping. The original forms on which you have worked out the ratios for the individual banks should, of course, be retained at your bank.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

* Enc.
* See letter of same date in subject file on Earnings

62

421-11 (10)

September 25, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Receipt is acknowledged of your letter of September 22nd, together with a copy of your letter to the State Bank Commissioner of Colorado in reply to a letter from him indicating that he would decline to send you the forms on suspensions if there is any intention on the part of the Committee to "elaborate on the unfortunate situation which has befallen state banks."

Your letter to Mr. McPerson seems to be an accurate statement of the situation and should be sufficient assurance to him. There is no desire whatever on the part of the Committee to attack any banking system, either national or state, or to engage in captious criticism. The problems involved are far too important to be treated in a spirit of that kind. The Committee is attempting to make a study of the whole bank structure of the country, including national banks as well as state, and covering branch, chain and group banks as well as unit banking.

The purpose of the Committee is to develop facts, and if its work is successful the results should be of value to the entire banking fraternity. In the study on failures the purpose is to find out where banks have been failing, the losses sustained, and the causes if possible. Mr. McPerson knows, of course, that the epidemic of bank failures during the past ten years has not been limited to state banks, but has afflicted the national bank system as well. I assume that Mr. McPerson, along with others in responsible positions, is already struggling to find ways and means for bringing about greater stability and security among the banks of his state. His problem is, of course, the same as that in other states, and one would think that he would welcome the opportunity to cooperate with the other states and the Committee in the attempt to analyze the problems involved and the conditions responsible for this extraordinary number of failures.

Mr. A. M. McAdams #2

September 25, 1930.

The Committee, of course, is anxious to develop a body of facts free from sentiment and prejudice, believing that only in this way can its work be helpful to those directing our banking systems and to those who may be responsible for initiating changes in our banking structure.

Very truly yours,

E. A. Goldenweiser, Chairman
Committee on Branch, Group
and Chain Banking.

421.11(10)

September 25, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In connection with the earnings project of the Committee on Branch, Group and Chain Banking transmitted to you with our letter of August 11th, one of the reserve banks has made some suggestions with reference to the handling of negative items, which are in accord with what we deem to be sound practice in this respect, and we are accordingly passing them along to you for your information and guidance.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

*Enc.
* See letter of same date in subject file on Earnings.

421.11(10)

September 24, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Your letter of the 17th raising certain specific questions regarding the interpretation of the suspensions schedules is just received. I shall take your questions up in order.

1. Your first question is to be answered affirmatively. The amounts reported in the column "Dividends paid from Collections" under sections 9 and 10 should be exclusive of amounts reported under the column "Payments from Guarantee Fund," the two being added together to give the figure for the next column "Total Payments."

2. Your second question is also to be answered affirmatively. Insofar as it is possible it is desired that the amount of unsatisfactory assets removed by stockholders or directors should be reported. These should be listed separately from the assessments, however.

3. It would be desirable to report all assessments made since the beginning of 1920, and in the case of suspensions in 1921 and 1922, the assessments of 1918 and 1919.

4. Insofar as the records disclose the amounts both of official assessments and of collections thereunder, it is desired that both items be reported.

5. Your suggestion that in the case of Nebraska the date of receivership should be treated as the date of suspension, and that wherever practicable a notation should be made on the report to show the reduction or increase in deposit liability during the period of

Mr. A. M. McAdams #2

September 24, 1930.

operation by the Guarantee Fund Commission seems to be sound and meets our approval.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

*See Mr. McAdams letter of Sep. 17 in
subject file on Suspension Schedule*

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

September 22, 1930

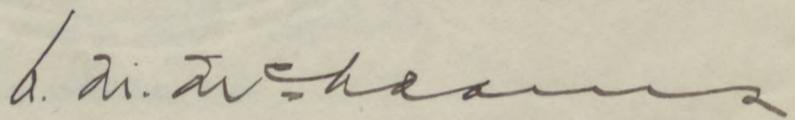
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen:

I am enclosing for your information a copy of my reply to a letter received from the State Bank Commissioner of Colorado, in which he states that the reports covering suspended Colorado state banks are being completed so far as the data in his office will permit, but indicates that he will be obliged to decline to send them in to us if there is any intention on the part of the Committee to "elaborate on the unfortunate situation which has befallen state banks."

If you can give me a statement at this time, covering the uses to which the suspended bank reports will be put, which is more definite than the information given in my letter, I shall be glad to receive it and use it in further reassuring the Colorado banking department.

Very truly yours,



Assistant Federal Reserve Agent

MCA/H

FEDERAL RESERVE BANK
OF
KANSAS CITY

September 22, 1930

Mr. Grant McPerson,
State Bank Commissioner,
State of Colorado,
Denver, Colorado.

Dear Mr. McPerson:

Replying to your letter of September 18, we have no detailed information as to just how the Committee on Branch, Group and Chain Banking will make use of the data secured through reports covering suspended banks since January 1, 1921, but we can assure you that the study in process does not have as one of its objects the development of any unfavorable comparison of state banks with national banks. The reports are being furnished covering all suspended national banks, and so far as we know, all of the state banking departments of the country are supplying reports covering suspended state banks.

As is well known, a large percentage of failures has occurred among the smaller banks, and since there are a great many state banks with capital less than the minimum capital of national banks, failures of state institutions may have been in larger proportion than in the national banking system. Such facts may be developed by the Committee's study, and possibly there may be other comparisons made, but you may be sure that there will be no inclination to draw unfair comparisons.

With kindest regards, I am

Very truly yours,

McA/H

Assistant Federal Reserve Agent

c/c Committee on Branch, Group and Chain Banking

421. 11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
W. L. PETRIKIN
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BOARD OF DIRECTORS
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

September 17, 1930

Committee on Branch, Group and Chain Banking,
Washington,
D. C.

Gentlemen:

Attention Mr. C. B. Hammond

Your letter of September 12 has been received and the instructions given therein with reference to the method of completing the schedules on suspended banks have been called to the attention of the several State Banking Departments.

The following questions have arisen in connection with this work on which we shall be glad to have your advice.

1. Shall the amounts reported in the column "Dividends paid from Collections" under Sections 9 and 10 include all dividends paid to depositors except those dividends paid from funds supplied by the Guarantee Fund?
2. Under section 12 of the schedule, should an attempt be made to report cases where individual stockholders or groups of stockholders or directors have removed unsatisfactory assets from the bank? It will not be possible to get complete reports on such removals of assets since they are frequently accomplished without any record thereof being shown in the banking department or in the files of reports of examination.
3. Section 12 asks for a report of assessments, either before or after the bank suspended. How long a period before suspension should this report cover?
4. Is it desired that section 12 show the date and amount of all official assessments and also the amount collected on each assessment?
5. The management of many of the suspended State banks in Nebraska was taken over from the respective boards of directors by the Nebraska Guarantee Fund Commission and the banks were operated by the Commission as going concerns for varying periods before being finally closed to the public and placed in receivership. Should the bank suspension schedules take the date of being taken over by the Commission or the date of receivership as the date of suspension?

yes

yes as far as possible

as long as possible

Both

Date of suspension since operation by 4th Com. is practically in receivership. If you suggest.

Committee on Branch, Group and Chain Banking

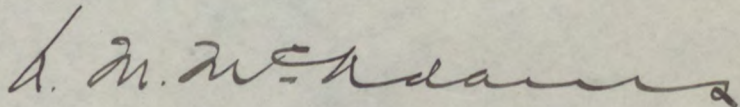
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9-17-30

Our opinion is that the schedule should treat date of receivership as the date of suspension and that wherever practicable, a notation should be made on the report to show the reduction or increase in deposit liability during the period of operation by the Commission.

Please let us have your advice on the foregoing questions as soon as may be convenient.

Very truly yours,



Assistant Federal Reserve Agent.

McA/S

421.11(10)

September 17, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In connection with the earnings project of the Committee on Branch, Group and Chain Banking we have been asked to rule on certain points with respect to the elimination of banks from a particular year's compilation because of suspension, consolidation, or the like. We are enclosing for your information and guidance a mimeograph of the points raised and our replies thereto.

Very truly yours,

E. A. Goldenweiser, Chairman
Committee on Branch, Group and
Chain Banking.

*Enc.

gwr/s/ch

** see letter of same date in subject file on Earnings.*

421.11 (10)

September 12, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

My dear Mr. McClure:

Now that actual work on the Suspensions Schedules, submitted to you with our letter of July 26th, is under way, questions are arising in certain states which reflect the different methods of keeping records and the difficulties in reporting exactly what is asked for. It is manifestly impossible to expect that any one schedule could be found equally well adapted to all states and to the Comptroller's office, and it is, therefore, unavoidable that in some states it will be much more difficult to fill out the Schedules than it is in others. To insure as much uniformity as possible, however, and to insure accuracy in interpreting the reports, it seems desirable to emphasize the following points:

1. Sections 9 and 10 of the schedule, as well as sections 7 and 8, call for data on claims by depositors only, but where the records are such that depositors' claims cannot be segregated from other claims, that is, bills payable and notes evidencing borrowed money, then total claims should be reported and a notation made to that effect.
2. Secured claims should include only those claims secured by collateral or by collateral and surety bond both, but not claims secured by surety bonds alone. The latter should be listed among general claims.
3. It is apparently the practice in some states not to list as claims those deposits which are secured by collateral, because they are assumed to be self-liquidating. For purposes of this schedule, however, all such deposits should be listed as secured claims allowed and the amounts realized by the depositors on the collateral should be shown as payments on these claims. The amounts realized on the collateral should also be shown under collections.
4. In many cases it is difficult to show a figure for Secured Claims that does not include items which in part are present also as General Claims. The reason for

September 12, 1930.

this is that Secured Claims are assumed to be self-liquidating and, therefore, are not part of the receiver's direct responsibility, which covers only claims allowed for dividend purposes. Any portion of a Secured Claim not liquidated by the collateral segregated to it may, however, be allowed as a General Claim and, therefore, increase the claims allowed for dividend purposes. When this happens and a corresponding change is not made in what was originally reported as secured claims, it results in duplication. Where it is possible within a reasonable time to get accurate figures of Secured Claims that are not and do not include amounts also included as General Claims, it is desired that they be so reported. If this is not possible, however, and the only available figures of Secured Claims include amounts also present in General Claims, it should be clearly indicated on the schedule that this is the case.

5. Under section 10 the amounts shown as "offsets to claims" should not be included either under collections or under claims allowed.

6. If records are in such shape that the figures cannot be supplied in exactly the form called for in the above sections or any other sections of the schedule, then the best figures available should be given and a notation made as to exactly what they represent. This is essential as a guide in tabulating this material in order that we may not compare wholly unlike figures from different states.

Very truly yours,

C. B. Hammond,
For the Committee on Branch,
Group and Chain Banking.

421.11(10)

September 2, 1930.

Mr. A. H. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

My dear Mr. McAdams:

In response to your letter of the 28th we
are forwarding the 500 additional copies of the
schedule on bank suspensions which you desire
for the Oklahoma banking department.

Very truly yours,

C. B. Hammond.
For the Committee on Branch,
Group and Chain Banking.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MFADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

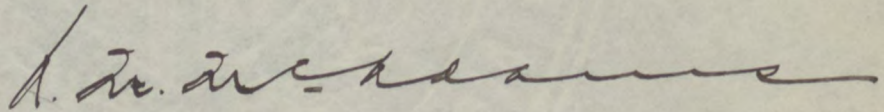
August 28, 1930

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Gentlemen: Attention Mr. C. B. Hammond

The Oklahoma banking department has requested
additional copies of the suspended bank report form.
It will be appreciated, therefore, if you will send
us 500 additional copies of the schedule.

Very truly yours,



Assistant Federal Reserve Agent

MCA/H

421.11 (10)

August 27, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

Your letter of August 20th is received advising that you have requested the Oklahoma Bank Commissioner to proceed with the work of preparing the reports covering suspended state banks in Oklahoma.

In the last paragraph of your letter you have asked whether the several reserve banks would be expected to assume the cost of this work, or whether the Committee would reimburse the banks. It had, I think, been the original thought of the Committee that, since its work was being done as an expense of the System as a whole, each reserve bank would assume such part of the cost as might result from work to be done in its district; but if this results in placing an unequal burden upon the reserve banks, the Committee would no doubt undertake to make such an adjustment as would distribute the cost equitably. No decision has been reached, however, as to just what would be done, and since Mr. Goldenweiser and Mr. Smead are both absent from Washington on vacation at the present time I am afraid I cannot answer your question positively. The matter will be taken up with them on their return.

Very truly yours,

C. B. Hammond.
For the Committee on Branch,
Group and Chain Banking.

421.11(10)

August 25, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Sir:

Your letter of the twenty-third asking for
500 additional copies of the suspensions schedule
for the Nebraska state banking department has just
been received and we are dispatching the copies this
afternoon.

Very truly yours,

C. B. Hammond.
For the Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
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E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

August 23, 1930

RECEIVED
AUG 27 1930
DIVISION OF RESEARCH
ST. LOUIS

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

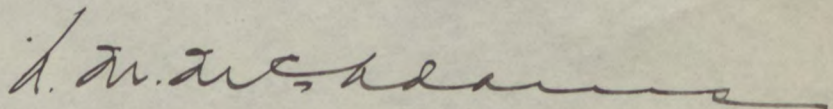
Gentlemen: Attention Mr. C. B. Hammond

The Nebraska State banking department has asked us for 500 additional copies of the suspended bank report form, stating that it wishes to prepare the reports in triplicate and retain two copies for its own files. We shall be glad to have you send us the additional report forms, in order that we may comply with this request.

For your information, the work of preparing these reports covering suspended Nebraska State banks is to be turned over to one of the auditors who was connected with the State bank investigation recently conducted in Nebraska, who has agreed to undertake the work on the basis of \$5.00 a day. Knowing the conditions under which the Nebraska banking department has been working, we think this arrangement will prove to be a very satisfactory one.

Advices from the banking departments of Colorado and Wyoming indicate that it will be necessary for us to defray some additional expense in connection with the reports covering suspensions in those two States.

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MADAMS,
ASST. FEDERAL RESERVE AGENT
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

August 20, 1930

Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

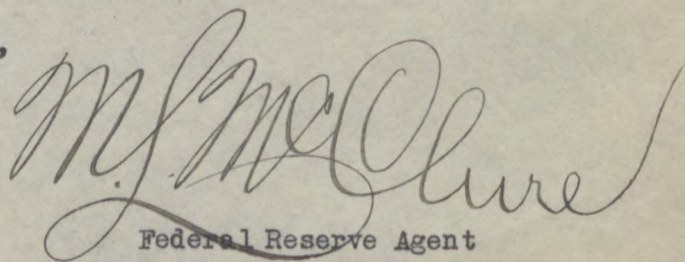
Gentlemen: Attention Mr. C. B. Hammond

Thank you for your letters of August 16 and 18,
with reference to the preparation of reports covering
suspended State banks in Oklahoma.

We are writing the Oklahoma bank commissioner,
authorizing him to proceed with this work, with the
understanding that the expense incident thereto will be
cared for by us at the rate of \$2.50 a report. The
information available to us indicates that about 215
or 220 Oklahoma State banks suspended between January 1,
1921, and January 30, 1930. I think it probable that
the 276 suspensions shown by your records include national
banks.

We had expected to assume any necessary expense
incident to the preparation of these reports, but your
letter indicates that the Committee may expect to make
provision therefor. We shall be glad to be informed in
this connection, since if we are to assume the expense
it will be advisable for us to notify the Federal Reserve
Board of the increase in the expense of our statistical
and analytical work, over the amount budgeted.

Very truly yours,



Federal Reserve Agent

M/H

August 19, 1930.

421.11 (10)

Before answering the questions on the schedule on suspensions which were raised by Commissioner Shull of Oklahoma, I discussed the subject first with Mr. Blattner and then with Mr. Merritt of the Insolvency Division of the Comptroller's office. What I wanted to find out from him was what the practice is with regard to accounts secured by collateral and those secured by surety bond. He informed me that it is the common practice to have accounts protected by both collateral and bond. Where this is the case the claimant, of course, realizes on his collateral and collects from the surety company for the balance. The balance then passes as a claim to the surety company which becomes by subrogation claimant for the whole amount of the original claim and shares in the distribution on that basis, except that under no circumstances would the dividends be allowed to exceed the net amount of the balance claimed. This procedure seems contrary to common sense, inasmuch as it works out so that the two claimants, that is the original depositor and the casualty company insuring his account, receive between them more from the proceeds of the bankrupt than would the original claimant alone. Mr. Merritt assured me, however, that this practice has been required by Federal court decision.

Secured claims are classified as such regardless of the amount of collateral securing them. An account of \$100,000 with a \$100 liberty bond deposited against it would be classified as a secured claim. The classification, consequently, merely indicates what in the first inventory of the bank's liabilities are found to be due the claimants, taking into account the fact that some claims are secured but without reference to the amount or value of the security.

CPH

421.11(10)

August 19, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

We have your letter of August 16th raising questions in connection with the analysis of bank earnings.

In cases of organization or suspension of a national bank where a twelve months' earnings record is not available, the bank in question should be excluded from the particular year's compilation. However, in cases where a bank is suspended for a short period only, and you deem its earnings figures representative of a year's activity, the bank could be retained. Moreover, when a national bank is absorbed by a state bank, it will also be necessary to drop it for that year, since a twelve months' earning record is unavailable. On the other hand, when a national bank absorbs other banks during the year, it is hoped that an effort will be made to aggregate the figures, both the condition and earnings, for all the banks in the consolidation for the year, so that the bank may be retained. We may illustrate what we mean by assuming that National Bank A absorbs National Bank B and Trust Company C in August. The autumn and December call reports and the December 31 earnings report will obviously include the figures for all three banks. It is hoped in a case such as this that the separate figures for each of the three banks for the June 30 earnings report and the Spring and June 30 call reports will be combined to complete the year's tabulation.

It seems clear that in cases where the early reports of the year cannot be put on a basis comparable with those of the latter part of the year that the bank in question will have to be dropped for that year. Because a policy of dropping automatically any banks that present questions of this sort without an attempt to retain them would unquestionably lose us much useful data, it has seemed best to us to suggest that all practicable efforts be made to retain them along the lines indicated.

Very truly yours,

G. W. Blattner
For the Committee on Branch,
Group and Chain Banking.

See Mr. McAdams' letter of Aug. 16 in subject file on Earnings.

421. 11 (10)

August 18, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

This is in further answer to your letter of August 10th transmitting questions asked by Commissioner Small of Oklahoma about the interpretation of items under question #10 of our schedule on suspensions.

His inquiry about question #6 and his first inquiry on question #10 were answered in my letter to you of August 16th. His third question relates also to question #10. The answer to it is that accounts which were secured both by surety bond and collateral should be classified as secured claims. Accounts secured by surety bond alone should be classified as general claims.

I trust that these answers will be found satisfactory.

Very truly yours,

C. B. Hammond,
For the Committee on Branch,
Group and Chain Banking.

CBH:H

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

August 16, 1930

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

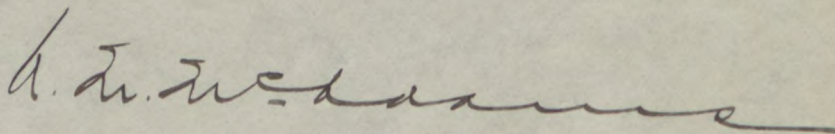
I shall be glad to have you advise me on the following points in connection with the program outlined in your letter of August 11 for analyzing the earnings of national banks.

Shall we attempt to make an analysis for periods of less than one year, as for example -

- (a) Where one or more call reports for the year are missing, or where one earnings and expense report is missing, because of organization, suspension, consolidation, etc., within the year.
- (b) Where all condition and earnings reports are in our files, but where the bank was organized between January 1 and the first call date.

In the case of consolidations between national banks, will it be advisable to make up our figures for the consolidated bank for the year in which the consolidation occurred by combining the reports submitted by the bank after consolidation with the reports of both banks prior to consolidation.))

Very truly yours,



Assistant Federal Reserve Agent

McA/H

421.11 (10)

August 16, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The important questions you raised in your letter of August the tenth regarding suspensions in Oklahoma made necessary a little delay, particularly because Mr. Goldenweiser, Mr. Smead, and Mr. Riddle are all three out of the city, and I desired to consult with Mr. Rounds in New York, the only member of the Committee accessible.

The record of suspensions is of such importance that it seems desirable to incur the expense you speak of in order to get it for the state of Oklahoma. Since our records show that there have been about 276 suspensions in that state, we estimate that the total expense will be, at the rate of \$2.50 a suspension, about \$700 all together. We should be glad to have you confirm or correct this estimate; for in spite of the fact that the work is necessary, it is desirable to keep a control of the expense involved in it. Meanwhile, however, there is no reason why Mr. Shall should not be advised that he may go ahead with the compilation.

There were also the following questions regarding the interpretation of the schedule.

The answer to his first question as to what should be included as investments under schedule #6, is that it should be what is classified as "Stocks, Bonds and Warrants" on the Consolidated Statement of the Condition of All State Banks in Oklahoma. I am referring specifically as I write this to their consolidated statement of March 27, 1930, in which the above classification is used.

Their second question deals with offsets under schedule #10. The answer is that the amounts entering into total collections should be net, after deducting offsets allowed. The latter should be accounted for under the item "Offsets to claims (loans paid, etc.)."

Mr. M. L. McClure #2

August 16, 1930.

In order to answer the third question, which also relates to schedule #10, it has been necessary to get some information on actual practice. I expect to send you an answer on this point in a day or so.

Very truly yours,

C. B. Hammond,
For the Committee on Branch,
Group and Chain Banking.

August 11, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking has outlined a program for analyzing the earnings of national banks over a period of four years. At the heart of the discussion with respect to the changing nature of our banking structure is the matter of wholesale bank suspensions, repeatedly cited as evidence of the failure of the unit system in certain quarters. Back of the failures is, of course, the question of profits and losses. The motivating force of banks as of other business enterprises is profits and their success or failure is measured by their ability or lack of ability to show satisfactory earnings. This is especially significant with respect to banks, for a banker who is not showing a fair rate of earnings is under the constant temptation to take greater and greater risks, thereby jeopardizing the safety of his depositors' money.

It is very important, therefore, to know what type of banks are not justifying their economic existence, where they are located and why they are in this position. The problem is to approach these questions statistically for a period of years. Data should be available in such form that they can be classified in various ways in order to show any significant trends in earnings. Such material could be classified by states to indicate tendencies of success or failure in the different sections of the country and in the various types of industrial and agricultural communities, and cross classified to see if a degree of profitableness is associated with size, either of the bank or of the community in which it is located. Having determined the classifications of banks not showing reasonable profits, it is desirable to know the operating conditions that are associated with such a situation. This requires a more detailed analysis of earnings, expenses, losses, composition of deposits and capital funds.

August 11, 1930.

Many of the Federal Reserve Banks have devoted considerable time and effort to analyzing the earnings of banks in their districts. It is unfortunate, however, that there exists no body of statistical data on earnings covering the whole country for a period of years that would permit grouping banks in a variety of ways or that is strictly comparable in the various districts.

The present program has been worked out in consultation with several of the Federal reserve banks which have already been making investigations in this field. It consists in working out various operating ratios for each national bank for each of the years 1926, 1927, 1928 and 1929, and each Federal reserve bank is requested to compile the data for its district. A special form has been prepared and printed for transcribing the earnings data and recording the various ratios. The enclosed copy of this form has been filled out as a specimen and seems to be self explanatory.

Page 2 gives the primary items which are to be compiled from the reports of condition and reports of earnings, expenses, and dividends. On page 4 complete instructions are given as to the composition of these items and the reconciliations from call to call. The earnings and expense figures will, of course, be the sum of the figures on the two semi-annual reports of earnings, expenses, and dividends for the year in question. Report of condition figures will be the result of averaging the respective figures on the four reports of condition (Spring, June, Autumn, and December). In the year 1926 there were only three calls. On page 3 of the form provision is made for recording the desired operating ratios computed from combinations of figures set down on page 2.

I am sending you a supply of these forms equal approximately to four times the number of national banks in your district. We are aware that there will doubtless be various questions arising when the work gets under way about which you may wish to confer. There may be cases where a change in the status of a bank through merger or otherwise so affects the condition or earnings figures in a given year that it should be omitted from the compilations of that year. It is hoped, however, that in each of these cases a special effort will be made to perfect a reasonably good set of the necessary income and balance sheet figures for the year in question. A too generous program of elimination of banks would obviously cause the loss of much valuable information.

We are working out plans for grouping and analyzing the various operating ratios after they have been computed. These plans will be sent you as soon as they are completed. It is suggested, therefore, that the blanks which are now being forwarded to you should not be returned to Washington when completed, but should be held for the purpose of making the various tabulations desired.

Mr. M. L. McClure

August 11, 1930.

For the time being this analysis of earnings is limited to national banks only, in the interest of time and economy. It is somewhat doubtful whether the inclusion of state member banks would add materially to the value of the study. The Committee is open to suggestions on this point, however, and it would be a simple matter to add the member state banks to the study at a later date if it should be deemed advisable.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

*Enc.

* See letter of same date in subject file on Earnings.

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

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G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

August 10, 1930

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

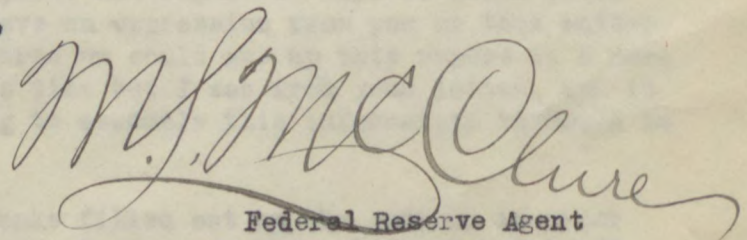
Dear Sir:

I am enclosing a copy of a letter from the bank commissioner of Oklahoma, with reference to the matter of preparation of the reports on suspended banks, pursuant to your letter of July 26. The suggested charge of \$2.50 for each report is somewhat larger than I had anticipated might be made by any of the banking departments of our district, but I can readily believe that such a charge is not unreasonable for carefully worked up reports, in view of the probable lack of statistical data and systematic filing of records in the Oklahoma department.

We appreciate the importance to your committee of having these reports properly done, and we are entirely willing to incur the expense which Mr. Shull's letter indicates will arise in connection with the reports from Oklahoma and other expense which will no doubt grow out of the preparation of the reports from the other States. Before authorizing the Oklahoma department to go ahead, however, on the basis of \$2.50 for each report, I shall be glad to have an expression of your views in the matter.

Mr. Shull's letter presents questions as to the character of items to be included as "investments," under question 6 of the schedule; whether collections reported under question 10 should include collections effected by off-sets; and whether claims allowed as secured claims should include accounts secured by both surety bond and by pledge of collateral. We shall be glad to have your replies to these questions, in order that we may give proper instructions.

Very truly yours,



Federal Reserve Agent

M/H
Enc.

(C O P Y)

STATE BANKING DEPARTMENT

STATE OF OKLAHOMA

Oklahoma City

August 9, 1930

Honorable M. L. McClure,
Chairman of Board of Directors,
and Federal Reserve Agent,
Kansas City, Mo.

Dear Sir:

I have your letter of August 4th, asking the cooperation of this Department in assembling information concerning the bank failures which have occurred since 1921 in this State. The information assembled to be used as a basis of study by the Federal Reserve Board Committee on Branch, Chain, Group and Unit banking.

I have talked this matter over with our Auditor, the only man available in our service who could compile this information. He advises me it is utterly impossible for him to compile this information during business hours. We are badly handicapped on account of a lack of appropriations to do sufficient research work of this nature. He further states that he is willing to do this work during his vacation period and he of course would expect to be paid for it. Our schedule and system does not conform to the information asked for in the blank furnished; consequently it makes the work much more difficult. He has worked up several schedules to get an idea of the time it will require to make up each report and he is of the opinion that he can not under any circumstances make up more than four a day, in fact he thought probably not more than three a day but I suggested he could no doubt make up four.

We have no appropriation to pay for this extra work. You state in your letter you would be willing to stand a charge if we were not in position to do so, but before starting him on this work I would rather have an understanding of the amount to be paid for each report.

I talked with the Auditor about this and he suggested an amount which in my opinion was really too high and more than I feel like you would be willing to pay so I have analyzed the matter myself and figure it will be worth \$2.50 for each report. I would be glad to have an expression from you on this matter before having the work started. Of course we could get up this report in a more or less perfunctory manner in much less time but I see from your letter, and it is also my opinion that if we are going to assemble this information it should be assembled as accurately as possible.

I am enclosing one of the blanks filled out by the Auditor in order that you may see if we are getting this up in proper shape. Under Schedule #6 the Auditor would like to know what items of resources, investments should include.

*See lines 17 & 18
on report of Auditor
Okla Banks*

*Stocks
Bonds
Warrant
Notes purchased
for investment*

(C O P Y)

STATE BANKING DEPARTMENT

STATE OF OKLAHOMA

Oklahoma City

2 M. L. McC. 8-9-30

Under schedule #10, under the head of collections the Auditor would like to know if the amount making up total collections should include offsets to claims and then below this amount the amount collected by offset to claims listed separately, or whether the amount paid by offsets to claims should be eliminated from the amount making up total collections.

no
yes

Under schedule #10, Secured Claims, the Auditor would like to know if this item should include accounts which were secured both by surety bond and collateral and the amount secured by surety bond allowed as a common claim.

yes
yes

I enclose folder of the Depositors State Bank of Allen, setting out in this schedule \$36,277.04 which was secured by \$5,617.27 in actual collateral and the balance secured by surety bond. What would be the correct amount to be set up in this exhibit?

Very truly yours,

(Signed) C. G. Shull
BANK COMMISSIONER

CGS/C

421.11(10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
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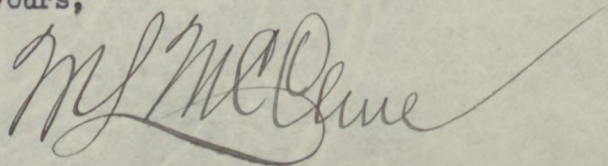
August 9, 1930

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

This is to acknowledge receipt of your letter of August 6, and to inform you that I shall be glad to prepare a statement along the lines suggested, to be submitted with the reports on suspended banks which I have requested the several State banking departments of this district to furnish for the use of your Committee.

Very truly yours,



Federal Reserve Agent

M/H

421.11 (10)

August 7, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Receipt is acknowledged of your letter of August 4th with the enclosed reports covering the various chain systems in your district which have suspended within the past ten years.

I have not had time to go through these reports yet, but they seem to be just what we want.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11(18)

August 6, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

Referring to my letter of July 26th submitting the schedule on bank suspensions, I wish to supplement the last paragraph which stated that your views regarding the causes of failures in your district would be especially valuable to the Committee. The following which bears directly on bank failures is taken from the recent hearings before the House Committee on Banking and Currency--volume I, part 5, page 577.

"Mr. Stevenson. Governor, reference has been made to the difficulties in the last 10 years of the banks and the failures. As a matter of fact, from your observation, has not a great deal of that come from the shrinkage in the values of the assets of the customers of the banks, which has come about--I am not charging it was anybody's fault--but has not a great deal of the difficulty resulted from the shrinkage in value of real estate and other assets of the people who dealt with the banks?"

Governor Young. It was a very contributing factor.

Mr. Stevenson. For instance, in my country, agricultural products were high; agricultural lands were high, and the man who owned 200 acres of land was considered a perfectly good risk for a sizable loan anywhere from two to ten thousand dollars. When the deflation, or whatever it might be termed, of 1920 came about, the banks were full of paper of that kind. Men who were perfectly good, as their assets stood prior to the beginning of the decline--this is my observation down there and I take it

August 6, 1930.

was so where you were--the decline in the price of agricultural products (cotton with us and various other things with you) rendered that fellow unable to pay his debt, and the bank began to renew his paper.

By the next year they began to call for security and wanted a mortgage on the land. That is the way a great deal of the mortgages got into the banks with us. Is not that true in your section?

Governor Young. Yes, sir; that is true with us, and usually they were second mortgages.

Mr. Stevenson. He would come up and say, "I can not pay this, but I have land worth \$10,000. I can borrow \$5,000 from the Federal land bank and pay that to you and give you a second mortgage for the balance." That is about the history of things with us. They did that and he farmed another year and they did that again. The value of the land shrinks and he begins to fall down in his installments with the joint-stock land bank that he is dealing with and in about a year they begin to foreclose and sell him out. The margin the commercial bank has is wiped out. That is what happened with us. Is that what happened in the Northwest?

Governor Young. That is an accurate description of what happened in the Northwest.

Mr. Stevenson. Then he is out, barefooted and coat gone, and no way to farm; and there are thousands of those fellows who were that way, and it was the result of the collapse in agricultural values that got so much frozen assets in the banks. They continued to carry them. They could not do anything else. He, the farmer, did not have the money. The land was mortgaged, so it could not be given as further security.

Now, has there not been a great deal of this not due to any inefficiency in the system, in managing banks, but due to the conditions that arose without anybody being able to forecast it, that has torn down the country bank in this country?"

The above is a very interesting description by Mr. Stevenson of how banks in his section got tied up with agricultural real estate and suffered losses with the decline in real estate values. According to his statement the difficulties which banks have been having are not due to inefficient management, but almost entirely to unforeseeable circumstances.

Mr. M. L. McClure #3

August 6, 1930.

I wonder if this could be a fairly accurate description of what went on in your district and if you could agree with Mr. Stevenson that the causes of failures cannot be attributed to inefficiency in management. When the suspensions schedules are filled out by the state banking departments in your district and returned to you, I have no doubt but that in reviewing the causes of failures you will have some observations to make. At the same time the Committee would appreciate having a prepared statement by someone who has been thoroughly familiar with conditions in your district during the past ten or twelve years explaining the various steps by which the banks became involved in the land speculation and to what extent the deflation of land values may be responsible for the failures which have occurred. Perhaps this statement could be spelled out in more detail than Mr. Stevenson's explanation in the above paragraphs.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11(10)

July 29, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

In accordance with your telegram of July 28th,
I am sending you under separate cover nine hundred
additional copies of the schedule for reporting
bank suspensions.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

TELEGRAM

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

421.11 (10)

RECEIVED AT WASHINGTON, D. C.

23lgb

Kansascity Jul 28 257p

Riddle

Washn

If convenient please forward 900 additional copies of the schedule for reporting bank suspensions to enable us to give each banking department enough forms that they may retain copies of their reports if desired

Mcadams

417p

291

421.11(10)

July 26, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking decided some weeks ago that an essential part of its work should be a detailed analysis of bank suspensions since the beginning of 1921. The rapid growth in recent years in group and branch banking is regarded by many as an outgrowth of the large number of bank suspensions which have taken place during the past decade. Whether or not this is true, it is obvious that before the Committee can determine the full significance of this mortality among banking institutions and its relation to the new trends in banking it will be necessary to make a more complete analysis of failures than the data compiled at present will permit.

The program proposed is a substantial undertaking, and to be successful it is necessary to have the full cooperation of the various state banking departments, as well as the various Federal reserve banks. This program will entail considerable effort and expense on some of the state banking departments, but in view of the wide spread suffering caused by bank suspensions it is hoped that the state superintendents will give the System every possible assistance in this study. In each of sixteen states of the Union over twenty per cent of the banks in existence in 1920 have failed since that time, and in seven of these over forty per cent of the banks have failed. These failures are continuing at a high rate, more banks having suspended so far this year than in any similar period since 1924. This is one of the most important problems facing many states and certainly one of the major problems of the whole country, and many states are doubtless already struggling to devise ways and means for bringing about greater stability and security among the banks of their state. Under the circumstances it is anticipated that the states will welcome the opportunity to cooperate with the Committee in this work.

Mr. M. L. McClure #2

July 26, 1930.

It is appreciated, of course, that many states are operating on very limited budgets and may find it somewhat difficult to undertake this extra work, but it is hoped that in no case will the difficulties prove insuperable. It may be advisable in certain cases for the Reserve Bank to offer its services in devising ways and means for collecting the data, and this cooperation, if necessary, might actually improve the quality of the information secured.

A tentative schedule for collecting information on bank suspensions was submitted for suggestions to the banking departments of some twelve or fifteen states in which suspensions have been unusually heavy. The response from these states and the apparent willingness to cooperate in compiling the data were very gratifying. At the same time a number of suggestions were made as to revisions of the schedule. Wherever possible these suggestions have been incorporated in whole or in part. In some cases, however, the suggestions could not be completely adopted because of the differences in terminology and records in the various states. It has been necessary to draw up the schedule in terms which would fit as nearly as possible the records of the various banking departments. The Comptroller of the Currency has given his full cooperation to the Committee and has expressed his willingness to furnish the information regarding national banks.

The schedule as finally adopted has been printed and a few copies are enclosed herewith. A supply is being forwarded to you under separate cover. The Committee would like you to present these schedules to the banking departments of those states whose capitals are located within your district with the request that they fill out a schedule for each bank which suspended between January 1, 1921, and June 30, 1930. It is hoped that the information will be supplied as fully and as carefully as possible and not in a perfunctory manner. The importance of the subject and the value to each state of the results of the investigation would seem to warrant special care in the preparation of the schedules.

As these schedules are completed and returned to you, you may wish to review them and supplement them with any special information which you may have. Your views as to the causes of the failures in your district would be especially valuable to the Committee.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

*Enc.

* See letter of same date in subject file on Suspension Schedule.

421.11(10)

July 18, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking has prepared a schedule for collecting information regarding the operation of group banking systems and would like to have it submitted to the more important groups of the country.

It is the desire of the Committee to secure as much information as possible as to the actual operations of group banking systems and such information as is available regarding their merits as compared with other forms of banking organizations. In the collection of this information the cooperation of the controlling agencies of the groups is solicited. This is purely a request, however, and in no sense a requirement. The purpose of the schedule is to indicate the specific information which is desired and to insure the collection of comparable data in some systematic form from the various institutions.

In view of the universal interest in this subject and the importance given to the development of group banking systems, those responsible for their operations will doubtless welcome the opportunity to state their views and to give the Committee the benefit of their experience.

Following its usual procedure the Committee would like you to present the schedule to the group systems in your district. The method of submission is a matter of your own discretion. In most cases it may be sufficient to send the schedule by mail, but in some cases better results might be secured by a personal visit from some representative of the Federal Reserve Bank to the head of the group system. When these schedules are completed and returned to you, perhaps you may wish to look them over and supplement them with any special information or views which you may have.

Mr. M. L. McClure #2

July 18, 1930.

A number of copies of the schedule are enclosed, and if additional copies are desired they can be readily supplied. I suggest it be submitted to the institutions in your district listed below or to any others which you think would be productive of results. As a rule the names on the list are holding companies, but in a few cases the names of banks which control other banks directly were included.

Keystone Corp. (Commerce Trust Co.), Kansas City, Mo.
Southwest Corporation, Tulsa, Oklahoma
United States Bank Shares, Inc., Tulsa, Oklahoma

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

* Enc.

* ~~See letter of same date in subject file on~~
~~Group Banking.~~

421.11(10)

July 21, 1930.

Mr. A. M. McAdams,
Assistant Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McAdams:

Receipt is acknowledged of your letter of July 18th regarding the number of banking offices operated in specific years by the Blossburg Mercantile Company.

We have also received your letter of the same date enclosing additional replies to the request for information regarding business changes which have affected banking connections.

Very truly yours,

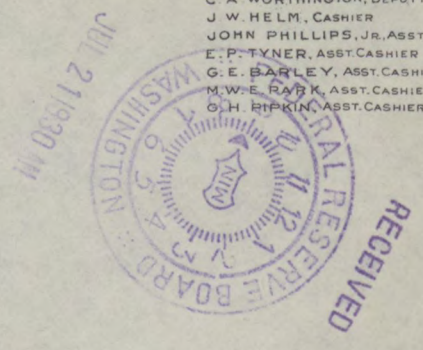
J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. RABK, ASST. CASHIER
O. H. RIPPIN, ASST. CASHIER



July 18, 1930

Mr. J. H. Riddle,
Secretary, Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Riddle:

In our letter of July 7, replying to the request of your Committee for certain condition figures of branch banking systems within our district, we stated that we were asking the Blossburg Mercantile Company, with headquarters at Raton, New Mexico, to give us the figures for its several banking offices as of the years to be covered by your study.

We are now in receipt of advice from the Blossburg Mercantile Company, stating that it is unable to segregate the loans and investments of the banking departments of its several offices, as of the dates inquired about, from the loans and investments of the Blossburg Mercantile Company proper.

The company advises that in 1910 and 1915 banking departments were conducted in connection with stores operated at Koehler, Van Houten, Gardiner, Brilliant, and Sugarite, New Mexico. In 1920, banking departments were maintained only at Koehler, Van Houten, Brilliant, and Sugarite, and in 1925 and 1930 the only banking departments were located at Sugarite, Van Houten, and Swastika. The general office of this concern, both for the mercantile and banking departments, is maintained at Raton, New Mexico, but no banking department is operated at that point.

Very truly yours,

Assistant Federal Reserve Agent

McA/H

421.11(19)

July 9, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

Receipt is acknowledged of your letter of July 7 with regard to the request for certain figures on branch banking from 1900 to 1915. We note that there were practically no branch banking systems in your district in those earlier years.

Your letter of the same date regarding the collecting of information on business consolidations and mergers as they affect banking connections has also been received. I note that only about half of the banks to whom you addressed inquiries have replied. Others may reply later, of course, but I do not believe I would bother to send a follow-up letter. We will simply make what use we can of those replies received.

Very truly yours,

J. H. Riddle,
Secretary, Committee on Branch,
Group and Chain Banking.

421.11 (10)

FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. M. L. PETRIKIN
DEPUTY CHAIRMAN
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A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
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E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

July 7, 1930

Mr. E. A. Goldenweiser,
Chairman, Committee on Branch, Group, and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Replying to your letter of June 5, in which you requested certain condition figures of branch banking systems within our district, as of June 30 of the years 1900, 1905, 1910, and 1915, we have to advise that strictly speaking there have been no branch bank systems in any of the States of our district during the period covered.

Two banks in Omaha, the Packers National Bank and the Stock Yards National Bank, maintain offices in the Omaha Live Stock Exchange Building, and these offices have been classified as branches in reports made to the Federal Reserve Board from time to time. All business transacted at the so-called branches, however, is consolidated with the figures of the respective parent banks at the close of business each day.

The nearest thing we have had to systems of branch banks in the district has been in New Mexico, where mercantile or trading companies having establishments in more than one town have conducted a banking business. At the present time we understand that the Blossburg Mercantile Co., with establishments in Raton, Sugarite, Swastica, and Van Houten, is the only such concern now operating which does any banking business. We endeavored to get the loans and investments and total resources of this concern and of similar concerns which previously operated in New Mexico, but the banking department advises that the information is not available in its records. We are writing the Blossburg Mercantile Company direct, asking that it give us its figures, and we will advise you as soon as the information is received.

Very truly yours,

A. M. McAdams
Assistant Federal Reserve Agent

McA/H

FEDERAL RESERVE BANK
OF
KANSAS CITY

June 18, 1930

*Mr. Amos ✓
Mr. Riddle ✓*

M. L. MCCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
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W. J. BAILEY, GOVERNOR
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E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

421.11 (10)
RECEIVED
JUN 20 1930
DIVISION OF RESEARCH
AND STATISTICS.

Mr. E. A. Goldenweiser, Chairman,
Committee on Branch, Group and Chain Banking,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

I have reviewed the schedule submitted with your letter of May 28, designed for use in gathering information on suspended banks, and I believe the form and content of the schedule are well adapted to the purpose intended. I invited comments on the proposed schedule from the banking department of Kansas, Nebraska, and Oklahoma, and their responses indicate a willingness to cooperate in furnishing the information called for, which they regard as sufficiently comprehensive for a study of this kind, but they point out that preparation of this data will be a big undertaking. The Nebraska Commissioner doubts that his appropriation would permit employment of the additional help which would be needed for this work, and I have advised him that when the information is called for we will endeavor to find a way to care for the expense.

Our experience in securing data on happenings in past years from the various State departments, has been such that I anticipate considerable difficulty in getting complete reports covering all closed banks in our district. Unquestionably such data as the proposed schedule calls for should be readily available in the records of each banking department, but the tremendous amount of current work which most of the departments had forced upon them during the past ten years has seriously interfered with the compilation of statistical records and, in some cases, with the maintenance of adequate files.

We shall of course be glad to have your committee call on us for any assistance we can give in the gathering of this or other material which may be important to your study.

Very truly yours,

M. L. McClure
Federal Reserve Agent

R

421.11(10)

June 5, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

As you doubtless know the Committee on Branch, Group and Chain Banking has been preparing during recent weeks a program for its investigation, and various tables, schedules and forms for compiling data are in course of preparation. Some of these have already been submitted to you either for suggestions as to form or for the actual collection of data, and others will follow shortly.

I am leaving Washington tomorrow and will be away about three months, spending most of that time in Europe. In my absence the secretary of the Committee, Mr. Riddle, will keep in touch with you and will submit to you other schedules and forms as they are worked into final shape. I, of course, have gone over the general scope of the study with the secretary and some other members of the Committee and it merely remains to work out the final details of the proposals. These schedules and forms will be passed upon by other members of the Committee, in my absence, and in special cases by other members of the System before they are finally adopted and submitted for the collection of data in your district. You may be assured, therefore, that they have received careful attention.

Very truly yours,

Chairman, Committee on Branch,
Group and Chain Banking.

421.11(12)

June 5, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

In the study of branch banking the Committee on Branch, Group and Chain Banking thinks it desirable to show something of the development of branches as far back as 1900 in order to give a fairly complete statistical story of this movement. Apparently no reliable statistics on branch banking have been compiled for years prior to 1919 or 1920, and it is proposed, therefore, to ask the various state banking departments and the Comptroller of the Currency for certain data for selected years during that earlier period. Accordingly a simple schedule has been prepared asking merely for the number of branches, loans and investments and total resources of each bank which operated one or more branches in any of those years. There were probably not more than two or three hundred such banks in the whole country and the compilation, in so far as the data is available, will not be a burdensome one.

A copy of this schedule is enclosed and I suggest that you request the appropriate state banking departments to supply this information for the states or parts of states which are included within your district. A separate schedule is to be made out for each bank operating under state law which had branches in any of the years mentioned. The data for national banks will be supplied by the Comptroller of the Currency.

The secretary of the Committee will forward to you in a few days a supply of these schedules for use in your district.

Very truly yours,

Chairman, Committee on Branch,
Group and Chain Banking.

✕ Enc.

✕ See letter of same date in subject file on Branch Bank Statistics.

421.11(10)

June 4, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

One of the functions of the Committee on Branch, Group and Chain Banking is to determine, if possible, the principal causes for the present tendencies in banking. It is believed that changes which have been going on in the organization and structure of industrial and commercial enterprises throughout the country have resulted in a shifting of banking connections and have been a factor in the situation. In nearly all communities there have doubtless been independent enterprises with local banking connections which during the past five years have been amalgamated with or absorbed by other enterprises with headquarters in some other city, usually some metropolitan district, with the result that their principal banking connections have likewise been transferred to banks in the larger cities and only nominal accounts left in the local banks. Other industries have passed into the control of capitalists located elsewhere with a consequent shift in banking connections. In some communities this has probably resulted in a net loss of business to the banks, while in others the gain may have equaled the loss. In still other communities, especially the metropolitan areas,

June 4, 1930.

the result has perhaps been a net gain in banking connections or in the volume of business.

While it is clearly not feasible to make a complete tabulation of these changes in bank connections so as to show just how much particular communities have lost or gained by the process, it is possible to secure for selected cities or communities a list of instances where industrial or trade combinations have resulted in the loss of business to the banks of that area. In fact one banker while testifying recently before the House Committee on Banking and Currency read such a list of consolidations or mergers which had resulted in the loss of accounts to his group of banks.

Perhaps you can secure such lists from the member banks in certain selected cities or communities of your district, i.e., names of industrial and commercial enterprises which through either change of control or through consolidation or merger with other enterprises have transferred all or a part of their business to banks in other cities. The name of the city to which the account has been transferred should likewise be given. In making the reports the banks might also note the accounts which have been gained by the same process. It is suggested that you request this information from the member banks in some twelve or fifteen towns or cities in your district varying in size from the very small towns to the larger cities. It will, of course, be treated confidentially. Attached is a suggested schedule for collecting the information requested.

Another factor which affects the banking situation in many communities is the change which has occurred in methods of distribution,

Mr. M. L. McClure #3

June 4, 1930.

especially the chain store, the chain restaurant and the chain service station. Perhaps the bankers from whom you request the above information would indicate roughly the extent to which they have been affected by this and similar developments.

Very truly yours,

Chairman, Committee on Branch,
Group and Chain Banking.

*Enc.
* See letter of same date in subject file on
Economic Changes.

421.11(10)

June 2, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking has decided that its investigations should include those branch and chain systems which have failed in recent years, in order to determine any inherent defects, weaknesses or possibilities of mismanagement of these systems. Such a study should cover the history, organization, management and policies of each system as well as the specific causes of failure. Statistical data illustrating any special or unusual tendencies in the operations of these institutions, and the condition of affairs as revealed in examination reports for two or three years prior to failure would be useful material.

More specifically the report should give the name, location, capital structure and brief corporate history (date of organization, mergers, initiation of branch or chain banking, etc.) of the parent institution, as well as the number of branches operated or banks controlled. It should also include a statement of the method and purpose of acquiring control over other institutions, type of banks taken over, degree of control exercised and description of organization and machinery of control. Other points covered would include condition at time of

Mr. M. L. McClure #2

June 2, 1930.

failure, analysis of loans and investments, type of paper handled, type of communities and industries served, nature of losses sustained, methods of coordinating operations of system as a whole, methods of auditing the system, and type of management or controlling interest.

It is apparent that the failures of branch and chain systems have occurred, as a rule, in regions where there have also been numerous failures of independent unit banks, but at the same time there have doubtless been special conditions or causes for failure in the particular cases.

Because of your familiarity with conditions in your district and the knowledge which you already have of the failed branch or chain systems, we shall appreciate it if you will make the necessary investigations in your district. This division of labor will not only expedite the study as a whole but will also give the Committee the benefit of your special knowledge and understanding of local conditions.

In your district I suggest reports on the following, to which you may wish to add others because of some special importance which may attach to them:

Montee-Miller, Kansas, (7 banks in chain failed in 1927)

H. A. McCauley, Sapulpa, Okla., (12 banks failed in 1929)

Very truly yours,

Chairman, Committee on Branch,
Group and Chain Banking.

421.11(10)

May 28, 1930.

Mr. M. L. McClure,
Federal Reserve Agent,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri.

Dear Mr. McClure:

The Committee on Branch, Group and Chain Banking feels that a detailed analysis of bank failures during the past decade is an essential part of its work and that this analysis should be more comprehensive than the data compiled at present will permit. It is proposed, therefore, to submit to the Comptroller of the Currency and to the various state banking departments a schedule for collecting information on each bank suspension since January 1, 1921. It is desirable to construct a schedule which will secure all the necessary data and at the same time be feasible and not unduly burdensome on those supplying the information.

A tentative schedule for this purpose has been drawn up, a copy of which is enclosed, but before adopting it in final form we would appreciate any comments or suggestions which you may care to make. You appreciate, of course, the difficulties of drawing up a schedule in terms which may fit the records of the various banking departments and at the same time be sufficiently definite to secure comparable data. In view of the importance of your district in this study perhaps it would be well to submit the schedule to some of the state commissioners of banking for their suggestions as to form and content.

Very truly yours,

Chairman, Committee on Branch,
Group and Chain Banking.

* Enc.
* See letter of same date in subject file on
Suspension Schedule.

TELEGRAM

421.11(10)

FEDERAL RESERVE SYSTEM

(LEASED WIRE SERVICE)

RECEIVED AT WASHINGTON, D. C.

236gb 30

Kansascity Apl 24 33lp

Young

Washn

Twill 1199 Entirely agreeable to this bank to consider committee
on branch chain and group banking a bank committee and to
pay prorata share of expenses

Worthington

420p

#10
FEDERAL RESERVE BANK
OF
KANSAS CITY

March 26, 1930

M. L. McCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. MADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

421.11 (10)

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. B. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

Federal Reserve Board,
Washington,
D. C.

Gentlemen: Attention of Mr. J. C. Noell

Your letter of the twentieth re-
ceived, enclosing copy of Part 2 of Volume 1
of the Hearings before the Committee on Bank-
ing and Currency of the H. R. on Branch, Chain
and Group Banking.

Thanking you, I am

Very truly yours,

M. L. McClure
Chairman.

McC/L

RECEIVED



MAR 28 1930 AM

#10
FEDERAL RESERVE BANK
OF
KANSAS CITY

W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

421.11 (10)
~~421.11~~
M. L. MCCLOPPE
CHAIRMAN, BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

March 22, 1930

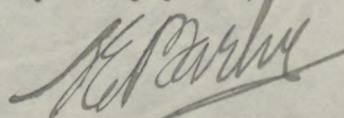
Dear Mr. Noell:

- letter 3-20-30

This will acknowledge receipt of copy
of Part 2 of Volume 1 of the Hearings before the
Committee on Banking and Currency of the House of
Representatives on Branch, Chain and Group Banking,
H. R. No. 141.

We thank you for this information.

Very truly yours,



Assistant Cashier.

Mr. J. C. Noell,
Assistant Secretary,
Federal Reserve Board,
Washington, D. C.

421. 11(10)

March 20, 1930.

Dear Mr. McClure:

For your information I am enclosing herewith a copy of Part 2 of Volume 1 of the Hearings before the Committee on Banking and Currency of the House of Representatives on Branch, Chain and Group Banking, H. R. No. 141.

Very truly yours,

(Signed) J. C. Noell

J. C. Noell,
Assistant Secretary.

Mr. M. L. McClure, Chairman,
Federal Reserve Bank,
Kansas City, Missouri.

Enclosure.

ans 3-26-30

Prepared by

421.11 (10)

March 20, 1930.

Dear Mr. Bailey:

For your information I am enclosing herewith a copy of Part 2 of Volume 1 of the Hearings before the Committee on Banking and Currency of the House of Representatives on Branch, Chain and Group Banking, H. R. No. 141.

Very truly yours,

(Signed) J. C. Noell

J. C. Noell,
Assistant Secretary.

Mr. W. J. Bailey, Governor,
Federal Reserve Bank,
Kansas City, Missouri.

Enclosure.

ans. 3-22-30

Prepared by

#10

FEDERAL RESERVE BANK
OF
KANSAS CITY

FEDERAL RESERVE BOARD FILE
421.11(10)
M. L. MCCLURE
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT
W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS
A. M. MEADAMS
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

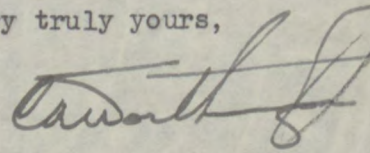
W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HELM, CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER
N. R. OBERWORTMANN, ASST. CASHIER

March 12, 1930

Dear Mr. Noell:

This will acknowledge receipt of
your letter of March 10, with which was enclosed
copy of the hearings recently held before the
Committee on Banking and Currency of the House of
Representatives, on Branch, Chain and Group Banking.

Very truly yours,



Deputy Governor.

Mr. J. C. Noell, Ass't. Secretary,
Federal Reserve Board,
Washington, D. C.



#10
FEDERAL RESERVE BANK
OF
KANSAS CITY

M. L. McCLURE,
CHAIRMAN BOARD OF DIRECTORS
AND FEDERAL RESERVE AGENT

W. L. PETRIKIN
DEPUTY CHAIRMAN
BOARD OF DIRECTORS

A. M. McADAMS,
ASST. FEDERAL RESERVE AGENT
AND SECRETARY

March 12, 1930

421.11 (10)
W. J. BAILEY, GOVERNOR
C. A. WORTHINGTON, DEPUTY GOVERNOR
J. W. HEDM., CASHIER
JOHN PHILLIPS, JR., ASST. CASHIER
E. P. TYNER, ASST. CASHIER
G. E. BARLEY, ASST. CASHIER
M. W. E. PARK, ASST. CASHIER
G. H. PIPKIN, ASST. CASHIER

Federal Reserve Board,
Washington,
D. C.

Gentlemen: Attention Mr. J. C. Noell,
Assistant Secretary. *pk*

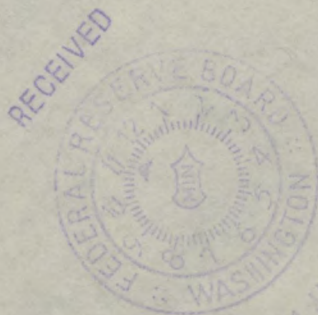
Your letter of the 10th received, enclosing copy of the report of the hearings held on February 25, 26 and 27 before the Committee on Banking and Currency of the House of Representatives, on Branch, Chain, and Group Banking.

Thanking you, I am

Very truly yours,

M. L. McClure
Chairman.

McC/L



MAR 14 1930 AM

421.11 (10)

March 10, 1930.

Dear Mr. Bailey:

Enclosed herewith for your information is a copy of the hearings held on February 25, 26 and 27, before the Committee on Banking and Currency of the House of Representatives, on Branch, Chain, and Group Banking.

Very truly yours,

(Signed) J. C. Hoell

J. C. Hoell,
Assistant Secretary.

Mr. W. J. Bailey, Governor,
Federal Reserve Bank,
Kansas City, Missouri.

ans 3-12-30

Enclosure:

WS

421.11 (10)

March 10, 1930.

Dear Mr. McClure:

Enclosed herewith for your information is a copy of the hearings held on February 25, 26 and 27, before the Committee on Banking and Currency of the House of Representatives, on Branch, Chain, and Group Banking.

Very truly yours,

(Signed) J. C. Noell

J. C. Noell,
Assistant Secretary.

Mr. M.L. McClure, Chairman,
Federal Reserve Bank,
Kansas City, Missouri.

Ans. 3-12-30

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