

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 1282 ]  
[ September 14, 1933 ]

Extension of Time for Filing Reports of Affiliates

To all Member Banks in the  
Second Federal Reserve District:

For your information, we quote below the text of a telegram received September 13, 1933, from the Federal Reserve Board:

"The Comptroller of the Currency, J. F. T. O'Connor, announced today that the Federal Reserve Board and the Comptroller of the Currency have extended until September 26, 1933, the time within which National banks and State member banks may file with the Comptroller and the Federal Reserve Board, respectively, reports of affiliates as of June 30, 1933, which were called for on July 7th pursuant to the Banking Act of 1933, and that such reports need not be published until they are filed. Section 5(c) and Section 27 of the Banking Act of 1933, respectively, provide that the reports of affiliates to be submitted to the Federal Reserve Board and to the Comptroller of the Currency, shall contain such information as in the judgment of the Federal Reserve Board and the Comptroller of the Currency shall be necessary to disclose fully the relations between member banks and their affiliates and the effect of such relations upon the affairs of the banks. Member banks have been furnished forms for these reports which provide among other items for a detailed statement of the assets and liabilities of each affiliate. In the light of the information available at this time, and for the purposes of the first report, which was called for as of June 30, 1933, the Comptroller of the Currency and the Federal Reserve Board will not require National banks and State member banks to obtain and publish the detailed statements of assets and liabilities of their affiliates and holding company affiliates, but such banks must furnish and publish a report of each such affiliate containing all other information called for in the forms which have been furnished to such banks by the Comptroller of the Currency and the Federal Reserve Board, respectively. Each such report must contain full information with respect to the character of the business of each such affiliate, must disclose fully its relations with the affiliated bank, and must set forth the following items and amounts thereof:

Amount on deposit in affiliated bank.

Stock of affiliate bank owned.

Stocks of other banks owned.

Borrowings from affiliated bank (including securities sold to the bank under repurchase agreement).

Such other items as reflects the relationship between the affiliate and the bank. If no amount is to be reported against any item the word "none" should be inserted after such item.

Pursuant to an opinion received from the Attorney General, the Comptroller of the Currency and the Federal Reserve Board will not require affiliate reports where the affiliate relationship arises through a holding of stock by a bank merely as executor or in some other fiduciary or representative capacity subject to control by a court or by a beneficiary or principal. It is considered that the ownership or control in such instances is not the type of ownership or control contemplated by the act. Inasmuch as the bank does not have the incentive and opportunities which might arise in the case of a holding of the stock by the bank as its own property."

It will be noted from the above telegram that the reports of affiliates must be as of June 30, 1933.

J. H. CASE,  
Federal Reserve Agent.