

## (INTERPRETATION OF BANKING ACT OF 1933.)

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Copies to be sent to all Federal reserve banks.

September 21, 1933.

Mr. \_\_\_\_\_,  
\_\_\_\_\_  
\_\_\_\_\_.

Dear Sir:

Further reference is made to your letter of July 3, 1933, referred by the Comptroller of the Currency to the Federal Reserve Board, in which you inquire whether, in view of the provisions of Section 8A of the Clayton Antitrust Act, as amended by Section 33 of the Banking Act of 1933, a director of a national bank may serve as a director of a savings bank which is authorized by its charter to make loans secured by stock or bond collateral, but which does not actually make such loans.

Inasmuch as Section 8A of the Clayton Antitrust Act specifically applies to corporations "which shall make loans secured by stock or bond collateral", it is the opinion of the Federal Reserve Board that it does not apply to corporations which do not actually make such loans, even though they have the legal power to do so. Accordingly, that section does not prohibit a director of a national bank from serving at the same time as the director of a savings bank which actually does not make loans secured by stock or bond collateral, notwithstanding the fact that such loans are permitted by its charter.

Very truly yours,

(Signed) L. P. Bethea

L. P. Bethea,  
Assistant Secretary.