

INTERPRETATION OF BANKING ACT OF 1933.

Copies to be sent to all Federal reserve banks.

October 24, 1933.

Mr. \_\_\_\_\_,  
The \_\_\_\_\_ National Bank,  
\_\_\_\_\_, \_\_\_\_\_.

Dear Sir:

Reference is made to your letter of October 9, 1933, requesting an interpretation of Section III(e) of the Federal Reserve Board's Regulation Q, regarding payment of interest on time deposits after maturity.

The Federal Reserve Board is of the opinion that a member bank may not lawfully pay interest for the period intervening between the maturity date of a certificate of deposit and the date on which a renewal certificate of deposit is actually issued, even though such renewal certificate is dated back to the date of maturity of the original certificate.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,  
Secretary.