

C O P Y

X-7894

May 14, 1934.

CURTISS
BOSTONWILLIAMS
CLEVELANDSTEVENS
CHICAGOMcCLURE
KANSAS CITYCASE
NEW YORKHOXTON
RICHMONDWOOD
ST. LOUISWALSH
DALLASAUSTIN
PHILADELPHIANEWTON
ATLANTAPEYTON
MINNEAPOLISNEWTON
SAN FRANCISCO

Trans No. 1996

Referring Board's telegram April 28, 1934, to Newton, San Francisco, (X-7885) re authority of member banks to purchase corporate stocks solely upon order and for account of customers, Federal Reserve Board has reconsidered question and is of opinion that there is no prohibition in the Federal statutes against banks buying or selling corporate stocks solely upon order and for account of customers. You will understand that Board's ruling is applicable to State member banks only and you are authorized to advise them accordingly.

(Signed) Chester Morrill

MORRILL