

INTERPRETATION OF BANKING ACT OF 1933

(Copies to be sent to all Federal reserve banks)

May 22, 1934.

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Your wire asking QUOTE is a national bank owning all shares of a securities corporation and carrying same as a book asset required to divorce itself from corporation under section twenty of banking act if corporation is doing nothing except liquidating its assets. UNQUOTE. Board is of opinion that section twenty will not require divorcement of securities company which shall have been placed in formal liquidation and which shall transact no business except such as may be incidental to liquidation of its affairs.

(Signed) Chester Morrill
Chester Morrill, Secretary,
Federal Reserve Board.