

INTERPRETATION

X-9467

Banking Act of 1935

(Copies to be sent to all Federal reserve banks)

December 18, 1935.

WALSH

DALLAS

Retel December 16, 1935, reference liquidation of _____ State Bank, _____, _____, and _____ State Bank of _____, _____, _____. Pursuant to section 9 of the Federal Reserve Act the holding company affiliates of such banks agreed to be subject to the same conditions and limitations as are applicable under section 5144 of the Revised Statutes in the case of holding company affiliates of national banks. The Board is of the opinion that section 311 of the Banking Act of 1935, amending section 5144 of the Revised Statutes to make it unnecessary for holding company affiliates to obtain voting permits to vote in favor of placing subsidiary national banks in voluntary liquidation or taking any other action pertaining to the voluntary liquidation of such banks, likewise made it unnecessary for holding company affiliates to obtain voting permits for such purposes in connection with subsidiary State member banks. Assuming that the stockholders' action was taken subsequent to August 23, 1935, it was not necessary for the holding company affiliates of the above-named banks to obtain voting permits to vote in favor of placing such banks in voluntary liquidation and to elect the liquidating officers.

(Signed) Chester Morrill