

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

X-9563

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 25, 1936.

SUBJECT: Comptroller's "Interpretative Rulings
With Respect To Section 5136, U.S.R.S."
Dated February 15, 1936.

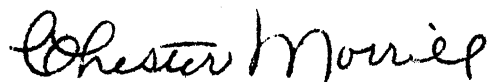
Dear Sir:

For your information there is quoted below an extract from a letter sent by the Board to the Assistant Federal Reserve Agent at San Francisco regarding an inquiry from a State member bank concerning the "Interpretative Rulings With Respect to Section 5136, U.S.R.S.", issued by the Comptroller of the Currency under date of February 15, 1936:

While the practices covered by questions (a), (b), (d), and (f) on page 2 of the letter from the State member bank are not fully described, it appears, on the basis of the information presented, that a State member bank is not prohibited from engaging in such practices by the provisions of section 5136 or the "Regulations" of the Comptroller issued thereunder. These questions, as well as question numbered 3 on page 2 of such letter, appear to relate to the provisions of the "Interpretative Rulings With Respect To Section 5136, U.S.R.S.", which were issued to all national banks by the Comptroller under date of February 15, 1936. Although the limitations and conditions of section 5136, including the limitations and conditions contained in the Comptroller's regulations issued pursuant to such section, are made applicable to State member banks by the provisions of section 9 of the Federal Reserve Act, it will be observed that the "Interpretative Rulings With Respect To Section 5136, U.S.R.S.", dated February

15, 1936, are addressed only to national banks, and it is understood that they were not intended to apply to State member banks. Accordingly, it appears to be unnecessary to answer the questions relating to such "Interpretative Rulings."

Very truly yours,



Chester Morrill,
Secretary.

TO ALL FEDERAL RESERVE AGENTS