

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

June 15, 1936.

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



Dear Sir:

There is inclosed, for your information, a copy of a letter to the Assistant Federal Reserve Agent at the Federal Reserve Bank of New York, relating to the applicability of the Board's waiver of the requirement for reports of affiliates which accompanied the Board's letter of December 21, 1935 (B-1124).

Very truly yours,

A handwritten signature in cursive script, appearing to read "S. R. Carpenter".

S. R. Carpenter,
Assistant Secretary.

Inclosure.

TO ALL FEDERAL RESERVE AGENTS.

X-9619-a

June 1, 1936.

Mr. R. M. Gidney,
Assistant Federal Reserve Agent,
Federal Reserve Bank of New York,
New York, New York.

Dear Mr. Gidney:

This refers to your letter of January 10, 1936, and its inclosures, relating to reports of certain affiliates of _____ Trust Company and to the applicability of the following paragraph of the Board's waiver of the requirement for reports of affiliates which accompanied the Board's letter of December 21, 1935, (B-1124):

"The Board of Governors of the Federal Reserve System also waives the requirement for the submission of reports of affiliates in all cases where the affiliate relationship is based solely on ownership or control of any voting shares of the affiliate by a member bank as executor, administrator, trustee, receiver, agent, depository, or in any other fiduciary capacity, except where such shares are held for the benefit of all or a majority of the stockholders of such member banks."

It appears that _____ Trust Company owns or controls a portion of the stock of certain affiliates in its individual capacity and a portion of such stock in fiduciary capacities. Your inquiry relates specifically to the instances in which neither the shares held in the trust company's individual capacity nor the shares held in fiduciary capacities constitute a majority of the voting shares but the combined holdings amount to a majority of such shares. You assume that reports are waived in the instances in which the shares held in fiduciary capacities constitute a majority of the voting

shares although some shares are held by the trust company in its individual capacity.

It is not intended that reports shall be waived in either of such situations under the above-quoted paragraph of the Board's waiver. It is, of course, possible that other paragraphs of the Board's waiver are applicable and that the reports are waived thereunder. Please advise _____ Trust Company accordingly.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,
Secretary.