

S-271  
Reg. L-16

INTERPRETATION OF LAW OR REGULATION

(Copies to be sent to all Federal Reserve Banks)

June 12, 1941

Mr. \_\_\_\_\_,  
Chairman of the Board,  
\_\_\_\_\_ Bank,  
\_\_\_\_\_, \_\_\_\_\_.

Dear Sir:

Receipt is acknowledged of your letter of June 4, 1941, inquiring whether the provisions of section 8 of the Clayton Act relating to interlocking bank directorates are applicable to three mutual savings banks which have recently become members of the Federal Reserve System.

The statute prohibits interlocking directorates between a member bank and certain other types of banks, but provides that the "foregoing prohibition shall not apply in the case of any one or more of the following \* \* \* (7) a mutual savings bank having no capital stock."

Therefore, in view of the fact that none of the three mutual savings banks which have recently become members of the Federal Reserve System has capital stock, the provisions of section 8 of the Clayton Act are not applicable to interlocking relationships between those banks and other banks.

Very truly yours,

(Signed) S. R. Carpenter

S. R. Carpenter,  
Assistant Secretary.