

PROCEEDINGS
OF THE
EIGHTH ANNUAL MEETING
OF STOCKHOLDERS
OF THE
FEDERAL RESERVE BANK
OF BOSTON

HELD AT THE
BANKING
HOUSE

FRIDAY .: NOVEMBER 21
1930

FEDERAL RESERVE BANK OF BOSTON

Officers

ROY A. YOUNG, Governor.	FREDERIC H. CURTISS, Federal Reserve Agent.
WILLIAM W. PADDOCK, Deputy Governor.	CHARLES F. GETTEMY, Assistant Federal Reserve Agent.
WILLIAM WILLETT, Cashier.	HARRY F. CURRIER, Auditor.
KRICKEL K. CARRICK, Secretary.	

ELLIS G. HULT, Assistant Cashier.
ERNEST M. LEAVITT, Assistant Cashier.
L. WALLACE SWEETSER, Assistant Cashier.

Directors

FREDERIC H. CURTISS, Chairman, Boston, Mass.
ALEN HOLLIS, Deputy Chairman, Concord, N. H.
PHILIP R. ALLEN, East Walpole, Mass.
A. FARWELL BEMIS, Boston, Mass.
ALBERT C. BOWMAN, Springfield, Vt.
FREDERICK S. CHAMBERLAIN, New Britain, Conn.
EDWARD S. KENNARD, Rumford, Me.
CHARLES H. MERRIMAN, Providence, R. I.
ALFRED L. RIPLEY, Boston, Mass.

Counsel

ARTHUR H. WEED.

Member of Federal Advisory Council

HERBERT K. HALLETT.

ADVISORY COMMITTEE OF THE STOCKHOLDERS OF
THE FEDERAL RESERVE BANK OF BOSTON, 1930

Chairman—Florrimon M. Howe, President,
Industrial Trust Company,
Providence, R. I.

Members—Charles S. Hichborn, President,
The First National Granite Bank,
Augusta, Maine.

Lester F. Thurber, President,
The Second National Bank of Nashua,
Nashua, N. H.

H. G. Smith, President,
The Clement National Bank,
Rutland, Vt.

Channing H. Cox, Vice-President,
The First National Bank of Boston,
Boston, Mass.

M. W. Lehman, Vice-President and Cashier,
The Pittsfield Third National Bank and
Trust Company,
Pittsfield, Mass.

Earle W. Stamm, Vice-President and Cashier,
The National Bank of Commerce,
New London, Conn.

Secretary—Krickel K. Carrick, Secretary,
Federal Reserve Bank of Boston,
Boston, Mass.

MEETING OF THE STOCKHOLDERS
OF THE
FIRST FEDERAL RESERVE DISTRICT

HELD at the FEDERAL RESERVE BANK OF BOSTON
on FRIDAY, NOVEMBER 21, 1930 at 11:00 A.M.

Chairman FLORRIMON M. HOWE
(*President, Industrial Trust Company, Providence, R. I.*), *Presiding.*

CHAIRMAN HOWE. The meeting will please come to order.

While we do not accomplish anything officially at these meetings it is a good thing to get together and talk over our troubles and our pleasures. We all had an interesting time last year and I think we shall have an interesting time this year.

Banking conditions are changing from day to day. Things are being done that we did not do before. Probably in the coming year we shall have some interesting experiences with people who are borrowing on character rather than anything else. We are all surrounded with people who had money and lost it. Banking is really an absorbing game.

The first business of the meeting is the selection of a secretary.

MR. EARLE W. STAMM. (Vice President and Cashier, The National Bank of Commerce, New London, Connecticut.) I should like to suggest the name of Mr. Thomas M. Steele, President of The First National Bank and Trust Company of New Haven, as secretary.

[The motion was seconded and carried, and Mr. Steele assumed the duties of secretary of the meeting.]

CHAIRMAN HOWE. The next business is the appointment of a Committee on Resolutions.

MR. ALBERT R. PLANT. (President, The Blackstone Canal National Bank, Providence, R. I.) I move that a Committee on Resolutions be appointed by the chair to consist of seven members, two from Massachusetts and one from each of the other States, due consideration being given in the appointment of the Committee to impartial representation of national banks and State banks and trust companies.

[The motion was seconded and carried.]

CHAIRMAN HOWE. This matter has already been attended to, as you probably know. I will appoint the following Committee on Resolutions: Mr. Albert R. Plant, President of The Blackstone Canal National Bank, Providence, Rhode Island; Mr. E. M. Hewett, Cashier of The Sanford

National Bank, Sanford, Maine; Mr. Perley R. Bugbee, President of The Dartmouth National Bank, Hanover, New Hampshire; Mr. J. E. McCarten, President of The National Bank of Newport, Newport, Vermont; Mr. H. L. Sherman, President of Merchants Trust Company, Lawrence, Massachusetts; Mr. John F. Tufts, President of The Union Market National Bank of Watertown, Watertown, Massachusetts, and Mr. R. LaM. Russell, President of The Manchester Trust Company, South Manchester, Connecticut.

They will have their meeting in one of the rooms here from 1:15 to 2:00 o'clock, to consider any resolutions that have been presented, and they will make their report at the afternoon session.

The only resolution submitted in advance of the meeting has been printed and each of you has received a copy. It is automatically referred to the Committee on Resolutions and if you care to discuss it with the Committee you may take it up with them from 1:15 to 2:00 o'clock.

[The following is a copy of the resolution thus referred to the Committee on Resolutions:

WHEREAS the vast changes and developments during recent years in trade, commerce, finance and industry, both in the United States and abroad, have introduced a variety of new factors into the extension of credit by banking institutions, and bankers are alike confronted with many problems of operation under existing law and regulations and concerned with the question whether unit, branch, group or chain banking is best adapted, in view of such developments, to serve the public need; and

WHEREAS such developments have also contributed to placing our Federal Reserve System in the position of a world banking power, making it necessary for the Federal Reserve Banks to consider reserve credit policies not only from a regional, but also from a national and international, standpoint; and

WHEREAS remedial legislation may be necessary,

NOW, THEREFORE, BE IT RESOLVED that this association of stockholders of the Federal Reserve Bank of Boston refrains from any specific recommendations to the Congress of the United States at the present time regarding banking legislation but hereby respectfully commends to the Federal Reserve Board and the Federal Reserve Banks the appointment of committees to make a thorough and scientific investigation of all such factors and questions;

BE IT FURTHER RESOLVED that in our opinion no changes in the national banking law or the Federal Reserve Act should

be made until the Congress of the United States has had an opportunity after adequate inquiry to take a broad view of the many problems presented;

BE IT FURTHER RESOLVED that a copy of these resolutions be furnished to the Federal Reserve Board, to Hon. Peter Norbeck, *Chairman of the Senate Committee on Banking and Currency*, and to Hon. Louis T. McFadden, *Chairman of the Committee on Banking and Currency of the House of Representatives.*]

The Chairman of the Board of Directors and Federal Reserve Agent has always addressed us at these meetings. I personally am sorry he is not here today and I am sure that his absence is regretted by all of us. His associate director and Deputy Chairman, Mr. Hollis, is here to take his place and to greet us. Furthermore, we have not heard from Mr. Hollis for a long time. He has been a director of the Federal Reserve Bank since it started, and it will be a great pleasure to hear from him.

*Address of Mr. Allen Hollis, Deputy Chairman of the Board of Directors,
Federal Reserve Bank of Boston.*

The Chairman has understated the fact with reference to your having heard from me. The truth is you have never heard from me.

This is the eighth meeting of the stockholders of the Federal Reserve Bank of Boston. When Mr. Paddock told me that fact this morning I was inclined to question it, but, as usual, Mr. Paddock is right. It is the eighth meeting.

In the absence of Mr. Curtiss, it devolves upon the deputy chairman of this bank to speak a word of welcome to the representatives of the member banks. It is a pleasant duty to welcome you all into your own house, built from the earnings of funds furnished by you. It is gratifying to our officers and directors to know that year by year the relations between this bank and its members become more cordial and that a fine spirit of cooperation prevails in all the relations existing between us and the numerous banks which we serve.

Mr. Curtiss' absence affords an opportunity to remind you of the great contribution he has made toward making this bank a success. Bringing to his dual office as Chairman and Federal Reserve Agent an unusual combination of practical experience in the art of banking and thorough knowledge of the theory of finance, he has been able to give invaluable service in every important branch of our activity. He is held in high regard by his associates and has earned the esteem of all with whom he deals.

The past year visited upon us a great loss in the death of Governor Harding. In his time the foremost authority on the Federal Reserve Act and the System, as a whole and in detail, he freely gave to us the stored-up treasures of his great experience. This bank, this district, were honored by his accepting the office of governor; and his death seemed almost a calamity.

To Mr. Curtiss and Mr. Paddock and all the staff is due the credit of carrying on the business without a ripple during the months while the directors dealt with the problem of really filling the vacancy created by the passing of our governor. At length success crowned our efforts — and you will hear presently from our new governor, who is equipped with ability and experience to match his illustrious predecessor and enjoys besides the vigor and enthusiasm of a younger man. We are confident that Governor Young will carry forward the policies of the men who have graced the office now held by him.

It has been Mr. Curtiss' custom to deliver on these occasions a learned treatise on some timely topic pertaining to banking or finance. A deputy-chairman whose nominal duties are limited to presiding at the infrequent meetings when the chairman is absent can hardly be expected to attempt so arduous a task. Instead he will call your attention to a few pressing

problems which challenge your attention now and are likely to require action in the near future. Possibly you do not all realize that these matters may affect vitally the banks for which you are responsible.

Gold is a shining metal which has caused more crimes than any other substance, except possibly the demon rum. Within recent months the banking world has been confused by a multitude of counsel about the responsibility of gold for the financial ills which beset the business world. Probably a few experts have always recognized the relation of gold supply to the trend of prices — but the secrets have been hidden from ordinary mortals, including most bankers, until they recently came to light.

One set of wise men tells us that the supply of gold is diminishing in proportion to the volume of commerce, bringing about a progressive and inevitable reduction in prices of commodities which has culminated in the present world depression. The only solution they offer is to speed up the flow of gold and expand the use of credit which is ultimately based on gold.

Another set of authorities tells us that the gold supply has nothing to do with our case; that we are at last facing the liquidation of the waste of war and will find our salvation only in the painful processes of individual initiative and effort.

Nations which have lost gold complain loudly of those who have gained. Our country and France are said to be the worst offenders.

A few years ago it was said that this country had too much gold. After a few hundreds of millions moved out we were supposed to be suffering from the resulting contraction of credit. Now we are back to the high figures.

These very meagre and inaccurate generalizations are stated in order to impress upon you a few truisms:

First. There are undoubtedly some definite economic principles underlying the relation of gold supply to prices of commodities and hence to business activity.

Second. These principles may be of great importance to business and finance.

Third. No bank is so small or so far from New York as to be beyond the influence of these principles.

Fourth. Those who find out what these principles are and learn how to deal with them will find opportunities which others will miss and avoid troubles which others will encounter.

Fifth. It behooves you bankers to find out all you can about gold.

Closely allied to this subject is the question of stimulating business by forcing credit on an apathetic market. A prominent Canadian has announced that the depression might end if the Federal Reserve System would purchase five hundred millions of Government bonds. This idea

has so many supporters that it can not be ignored. Other high priests of finance point out the fact that credit is cheap to those who can offer good security and assert that the difficulty is not lack of credit but lack of effective demand for money. Two per cent bills look like cheap credit. They say that Mr. Bryan made this cheap money idea unpopular nearly forty years ago.

This leads to another question — how far may the Federal Reserve Bank properly go in the direction of attempting to influence prices of commodities — or stocks — through changes in discount rates or open market operations? Strict constructionists say they should do nothing in this direction — others would have them invest five hundred millions to that end. All apparently concede that the primary function of the System is to safeguard credit for the best service of trade and commerce; but some very conservative men would have them exercise this function with a view to the effect on business conditions.

A little apart from our field is the new idea that lavish expenditure is the foundation of modern prosperity. This comes as a shock to men over fifty, most of whom made their start in life through a rigid application of Poor Richard's maxims. To such men prosperity for a nation of spend-thrifts looks like lunacy; and yet, if everybody saved all his income except what he required for bare subsistence, most of our factories would close. Probably there is a gospel of spending as well as of saving.

I might also refer, except that I do not want to take time, to the question that comes still closer to you men, and that is the matter of group or chain banking or branch banking, but that is too long a story.

These are a few of the questions which have emerged from the complex and contradictory world in which we live. You men represent money and credit, the mediums of exchange on which all business transactions depend. Many of you are closely identified in manufacture and commerce, in railroads and utilities. Your influence on the opinions and actions of the business community is immense. My purpose in placing these problems before you in this unconventional manner is to try to make you believe that you have a vital interest in seeing that they are solved and that the solution is sound. You cannot afford to leave the solution to chance, or to cranks.

May I close by again extending to you all a cordial welcome, not only on this occasion but whenever you need any assistance which the bank can furnish. [Applause.]

CHAIRMAN HOWE. When your committee got together to arrange this meeting, it was thought wise, on account of having the new governor here, to give him an opportunity to see us, observe what we look like and see whom he has to live with and know what to expect from us, and also give us an opportunity to see him. Governor Young has been in the banking

business all his life, so he knows what we are thinking about, what our troubles have been. He was a practical banker and though he is now a reserve banker he is still practical and not the least reserved. Governor Young has now been with us a little while, we have been pleased to have him among us and we are delighted to have him address us today. Governor Young.

Address of Hon. Roy A. Young, Governor of the Federal Reserve Bank of Boston.

Mr. Chairman and gentlemen: I am most grateful to think that such a large body of stockholders of the Federal Reserve Bank of Boston should come to this annual meeting. It shows your keen interest in the institution of which I am an humble servant.

When I came to New England I realized that it was territory with which I was not familiar except as I have been able to observe it from a very distant and statistical standpoint. I discussed the situation with the directors of the Federal Reserve Bank of Boston, and told them that I thought the best thing which I could do at the start was to visit the territory, with the result that I have attended many conferences and meetings in New England.

That, however, proved to be quite an undertaking, because I discovered that at each meeting I was expected to say something. I have attempted to do that, with the result that I have covered gold, I have covered open market operations, I have covered national conditions, and I have rather run out of subjects.

I further realize that many of the men in this audience have heard or read what I have said on those particular subjects. So today it is sort of a relief to get back and talk about the institution of which you are stockholders and in which you are interested.

First I want to refer to the report of condition of the Federal Reserve Bank of Boston, comparing it with the figures of a year ago, as shown by the tabulation before you.

CONDENSED STATEMENT OF CONDITION

RESOURCES

	<i>Close of Business Nov. 19, 1930</i>	<i>Close of Business Nov. 6, 1929</i>
Gold.....	\$212,508,335	\$299,797,447
Other Cash.....	24,731,977	32,316,520
U. S. Government Securities..	48,314,500	7,077,350
Bankers' Acceptances	15,422,566	12,514,728
Rediscounts.....	13,980,534	37,546,476
Checks in process of Col- lection.....	67,190,689	73,889,611
Banking House.....	3,579,937	3,701,984
Other Assets.....	188,600	1,178,776
Total Resources.....	\$385,917,138	\$468,022,892

LIABILITIES

	<i>Close of Business Nov. 19, 1930</i>	<i>Close of Business Nov. 6, 1929</i>
Capital paid in.....	\$ 11,874,050	\$ 10,790,700
Surplus.....	21,750,887	19,618,865
Member Banks reserve de- posits.....	158,155,310	154,586,063
Deposits of uncollected checks.....	66,188,444	69,797,940
Other deposits.....	2,973,323	3,277,271
Circulation.....	124,920,835	207,349,330
Other liabilities.....	54,289	2,602,723
Total Liabilities	\$385,917,138	\$468,022,892

Taking the liabilities side first, you will observe that the capital is considerably larger than it was a year ago. That comes about not through an increase in membership but largely through increases in capital and surplus accounts of member banks. The surplus of the Federal Reserve Bank of Boston is approximately \$2,000,000 more than it was at this time last year, due to the fact that our net earnings were large last year and, surplus being still less than subscribed capital, we were required under the law to transfer to surplus net earnings remaining after the payment of dividends.

Member banks reserve deposits show an increase of about \$4,000,000 over last year. That figure, however, I believe is distorted somewhat. The figure of \$158,000,000 seems to me a little large. As I have been watching it for the last two months, it has averaged from \$147,000,000 to \$150,000,000.

Deposits of uncollected checks are about \$3,600,000 less than last year.

Other deposits, the bulk of which are deposits of the United States Government and foreign banks, are approximately the same as they were last year.

Circulation shows a marked decline, approximately \$83,000,000. The explanation for this reduction is partly in lower payrolls and the unemployment situation and partly in the fact that the volume a year ago was affected by the change in the size of currency which was begun a few months prior thereto.

“Other Liabilities” I will refer to later.

If you will look on the other side, resources, you will observe that gold has declined in the Federal Reserve Bank of Boston approximately \$87,000,000.

In the item of “Other Cash” there is a decline of more than \$7,000,000; in United States Government securities, an increase of \$41,000,000. That is the result of the general open market operations of the Federal Reserve System, whereby the System accumulated approximately \$450,000,000 of Government securities during the past year, which might be characterized as an application of Mr. Macaulay’s idea a year before he got it.

Bankers’ acceptances have increased approximately \$3,000,000.

In rediscounts there has been a marked decline of almost \$24,000,000.

Checks in process of collection amount to \$67,000,000 or \$6,700,000 less than they were the year before.

The banking house is carried at \$120,000 less than it was a year ago. That represents charge-offs for depreciation made in accord with a formula approved by the Federal Reserve Board.

In “Other Assets” there is quite a marked decline. The explanation

is that a year ago we were carrying some debentures of the Intermediate Credit Bank. This year we are not.

To get back to "Other Liabilities". That item reflects principally the earnings of the Federal Reserve Bank of Boston. It is much less than it was a year ago. In fact, we are in the red at the moment \$384,000. That is the result of lower earning assets, lower discount rates and lower bill rates. But notwithstanding the fact that the earnings of the Federal Reserve Bank have not been as large as they were last year, I do not think it should cause anyone in the audience any uneasiness, because our surplus is very large. While I cannot speak for the directors of the Federal Reserve Bank of Boston, I do not believe there should be any concern about the dividend. The Attorney-General of the United States has ruled that the Federal Reserve Banks are permitted to pay dividends out of previously accumulated surplus funds, and I see no occasion why the Federal Reserve Bank of Boston should not make the usual dividend payment.

I want to take up another matter, — I refer to legislation, — with a little explanation. Legislation changing the Federal Reserve Act must of course pass the House and the Senate before it is submitted to the President of the United States. Having been on the Board for three years, I am familiar with the Board's proposals during that period. In the Board's annual report for each year, several recommendations were made for changes in the terms of the Federal Reserve Act, many of them technical. That necessitated some member of the Federal Reserve Board appearing before the Senate Committee and also before the House Committee and many such appearances were made. Until this year there was comparatively little progress but this year we were quite successful in obtaining legislation, even though it was mainly of a technical nature.

In its annual report for 1929, the Board renewed its recommendation of an amendment to Section 9 of the Federal Reserve Act to permit State member banks of the Federal Reserve System to have foreign branches. Various members of the Board have appeared before the House Committee with reference to a bill under which member banks might have such branches. If I remember, it was reported out of the Senate Committee and actually passed by the Senate but it has not as yet been passed by the House.

The Board has also recommended the following in its last three annual reports:

An amendment permitting the cancellation of Federal Reserve Bank stock held by member banks which have gone out of business without a receiver or a liquidating agent having been appointed therefor. Such legislation was passed at the last Congress and was signed by the President.

An amendment making it discretionary with the Federal Reserve Board to assess the costs of examining member banks against the banks examined. A bill to that effect was adopted at the last session and signed by the President.

An amendment exempting Federal Reserve Banks from attachment or garnishment proceedings before final judgment in any case or proceeding. That proposal has not yet been enacted.

An amendment to the Judicial Code restoring to the United States District Courts jurisdiction of suits by and against Federal Reserve Banks. That has yet to be passed.

An amendment to Section 9 of the Federal Reserve Act authorizing the Federal Reserve Board, in its discretion and upon such conditions as it may prescribe, in individual cases to waive the six months' notice now required by law before a State member bank may voluntarily withdraw from the Federal Reserve System. A bill embodying that recommendation has been passed and signed by the President and is now law.

An amendment to Section 13 of the Federal Reserve Act, increasing from 15 to 90 days the maximum maturity of advances made by Federal Reserve Banks to member banks on their promissory notes secured by paper eligible for rediscount by Federal Reserve Banks but not increasing the maximum maturity of advances on such promissory notes secured by bonds or notes of the United States. No such legislation has been passed as yet but from what I have been able to observe in both the House and the Senate, the opportunities for passage look very favorable.

An amendment to Section 4 of the Federal Reserve Act to permit an officer, director, or employee, of a mutual savings bank to serve as a Class B director or a Class C director of a Federal Reserve Bank. No measure granting that permission has yet been passed.

In addition to those which I have mentioned, the Board in its 1929 report recommended the enactment of the following:—

An amendment to Section 9 of the Federal Reserve Act authorizing the Federal Reserve Board, after hearing, to require a State member bank to surrender its stock in the Federal Reserve Bank and to forfeit its membership, where it appears to the Board that such bank has failed to comply with the provisions of the banking laws of the State in which it is located. No such amendment has been adopted.

An amendment to Section 13 of the Federal Reserve Act so as to make the limitation on the rediscount of paper of one borrower conform more closely to the limitations prescribed by Section 5200 of the Revised Statutes upon loans to one person by a national bank. Such a bill was passed and signed by the President and is now law.

An amendment to Section 4 of the Federal Reserve Act to clarify the meaning of the phrase "electors voting" in that part of the statute providing the method of counting ballots in elections of Class A and Class B directors of Federal Reserve Banks. The law has been changed in accord with that recommendation.

is a slow process, and they are doing it very thoroughly and, in my opinion, in the only systematic way in which it can be done.

In closing I want to say that I am delighted to be in New England and happy to be connected with the Federal Reserve Bank of Boston. I have received a cordial and helpful welcome from everybody in the community.

I thank you. [Applause.]

CHAIRMAN HOWE. Governor Young's mention of earnings will find us all sympathetic. It has a familiar sound. I hope and we all hope that he will keep his bank liquid, and if he needs an assessment to pay salaries and rent, and so forth, I know of at least one bank which would be glad to contribute its share.

This meeting would not be complete without hearing from Mr. Hamlin, of the Federal Reserve Board. I think he might like to say a word and I know we should like to have him talk to us. [Applause.]

An amendment to Section 22 of the Federal Reserve Act making it a Federal offense punishable through the Federal courts to burglarize or rob any Federal Reserve Bank or any member bank of the Federal Reserve System. That recommendation has not yet been adopted.

An amendment to Section 22 (a) of the Federal Reserve Act, making it clear that the prohibition against examiners' accepting loans or gratuities from member banks applies to State bank examiners. No such bill has yet been passed.

An amendment to Section 11 (k) of the Federal Reserve Act to permit a national bank which has been granted a permit by the Federal Reserve Board to act in trust capacities to surrender such permit voluntarily with the consent and approval of the Federal Reserve Board. A bill making that possible has been passed and signed by the President and is now law.

In addition, the Federal Reserve Board has gone on record in two annual reports to the Congress of the United States, recommending a more liberal distribution of the earnings of Federal Reserve Banks to the member banks. The Board has refrained from offering any specific law because of some uncertainty as to what provisions would best embody a distribution which would be alike equitable and sound from the point of view of public policy. There have been many suggestions in reference to reserves and to changing the reserve law, and there have been many suggestions concerning group, chain and branch banking. The Board has not taken a definite position regarding reserves; nor has it taken a definite position as to group, branch and chain banking. The Board, however, has appointed a committee composed of officers and employees of the Reserve Banks as well as economists to study the whole question of reserves. That committee has been at work for approximately eight months now. Many of you people have had to answer their inquiries, which may have been at times a little bit irritating. But I am sure they will all be productive of good results when the information is finally accumulated. As far as I can find out, that committee will not be able to make a report to the Federal Reserve Board for at least six months more.

The Board has also appointed a committee composed of officers of the Reserve Banks, economists on its own staff, and statisticians, to study the whole subject of group, chain and branch banking. That committee may likewise have irritated you bankers to a certain extent by some of the inquiries which have been made of you. All such information, however, will ultimately be of great benefit. It will probably be another year before that committee is in a position to report.

I mention these matters to let you know that my former colleagues on the Federal Reserve Board are alive to the legislative situation. They are attempting to do everything they can to improve the terms of the Federal Reserve Act and the conditions of membership of the member banks. It

Address of Hon. Charles S. Hamlin, Member of the Federal Reserve Board.

It is a great pleasure to me to come here again and be a participator, not entirely a silent participator, in these proceedings.

I was very much pleased to receive the kind invitation from your Chairman, but I beg to assure you it was not necessary, for nothing short of an injunction of the highest court of record in this State would prevent my knocking at the door and pleading for admission at a meeting of the stockholders of this great bank.

I want to start by expressing the deep regrets of Governor Meyer that he was not able to be here to participate in these proceedings. But of course he has his new duties to perform and there is a multiplicity of engagements which he was not able to put off to come with me today. I am sure you will all be glad to know the enthusiasm and the earnestness with which he is taking up his duties. I predict for him distinguished success.

I am very sorry not to be able to see the Chairman of your Board here today, but he has not yet returned from a vacation which he greatly needed. I want to say that I endorse every word that Mr. Hollis has said about Mr. Curtiss' distinguished success in the high office he occupies. I look upon him as one of the outstanding Chairmen of the Federal Reserve System of the United States.

And I want to congratulate you from the bottom of my heart on the wisdom and sagacity of your directors in persuading Governor Young to leave our Board and come to preside over the deliberations of this bank. [Applause.] I have had the pleasure of knowing him now for many years, part of the time when he was Governor of the Minneapolis Bank, and for years when he was Governor of the Federal Reserve Board. I have never before met a man so well-equipped from the point of view of banking operations. He understands the theory and he understands the practice. He is a broad man. One thing that always commended him to me was this, that whenever we had any differences with him and whenever we argued any question, the Governor would always take up the argument proposed to him, he would thresh it out with you, and if he differed from you, in the end, you felt at least that he understood thoroughly your point of view. And then you would go back and think that after all you may have been wrong and the Governor may have been right.

Your directors have shown sagacity and broadmindedness in looking over the country to get a man fit to preside over this bank. They showed breadth of mind in choosing Governor Harding of Alabama and then Governor Young of Minnesota. My friends, I am proud of the conservative judgment which those men have shown. The directors of this bank want the proper man, wherever they can find him, and I am sure you will all be glad, as I am glad, that you have had the good fortune to obtain

Governor Young, one of the best-equipped bankers, in my judgment, in the United States today.

The Governor has told you something about the legislation proposed by the Federal Reserve Board, and I want to assure you that he is absolutely correct when he has shown how earnestly the Board is attempting to get legislation, that they have not been tardy, that they have pressed to the utmost of their power in securing needed amendments to the law. But, as you gentlemen know, it takes time to secure that; it takes time to satisfy Congress that what we ask is correct.

There is to me what is most interesting and pleasant, the fact that there is absolutely no politics in the Federal Reserve System. After an experience of 15 years it seems almost that I was a little boy when this System began. And I can say that I have never seen, before any Congressional committee, the slightest indication of any partisan view whatsoever. The committee treats every proposition brought before it as a business question and, while we do not always succeed in getting what we want, it may be our own fault that we have not clearly enough demonstrated the necessity to Congress.

What better evidence can I show you of the non-partisanship of this System than to remind you that a Republican Senate has just appointed Senator Glass, a Democrat, as chairman of the committee to take up the necessary amendments of the Federal Reserve Act. That whole question will be discussed and deliberated in Congress as a business body, and I believe that the few things we need will be cheerfully and promptly given.

I have brought with me a very short statement of existing conditions, which I will read to you. It is very short. I thought you would like to know the condition of banking over the United States today.

During the twelve months ending with the autumn of 1930, industrial production and factory payrolls declined by 26 per cent, and prices by 14 per cent. Changes in bank credit during the period were such as usually occur at a time of decline in business activity. There was a decline in the commercial demand for loans; an increase in investments and in open-market loans by banks, which, in the absence of local demand for their funds, sought employment for these funds elsewhere; a reduction of bank indebtedness; a decline in the ratio of loans to deposits; and in the aggregate a considerable decrease in the total volume of bank credit.

Total loans and investments of all member banks of the Federal Reserve System on September 24th of this year amount to \$35,500,000,000, a decrease of \$460,000,000 since the autumn call last year. There was a reduction of \$2,400,000,000, or 10 per cent in loans made to customers during the period.

Between October 4, 1929, and September 24, 1930, total security loans of all member banks increased \$197,000,000. This increase represents an increase of \$607,000,000 in the security loans of New York City banks and

a decrease of \$410,000,000 in the security loans of banks outside of New York City, — the net increase being \$197,000,000.

Another classification of the same figures is that there was an increase of \$587,000,000 in member bank loans to brokers in New York City, and a decrease of \$390,000,000 in other security loans of member banks.

This diminished demand for commercial credit has reflected the slowing down of business activity, and member banks, not finding sufficient requirements for their funds among their regular commercial customers, bought a billion of securities and put an additional billion elsewhere in the open market, \$600,000,000 in brokers loans in New York, \$300,000,000 in additional open market commercial paper, and the rest in acceptances.

While loans and investments decreased by \$460,000,000, net demand plus time deposits of member banks increased by more than \$300,000,000. The growth of deposits at a time when loans and investments were shrinking has been due to the fact that during the year there was an inflow of about \$130,000,000 of gold from abroad and a reduction of about \$300,000,000 in the domestic demand for currency. When gold or currency is deposited with a bank it increases its deposits without a corresponding change in loans and investments, and consequently an inflow of gold and currency is reflected in growth of deposits relative to loans and investments.

This surplus growth of deposits over loans and investments, accompanying imports of gold and reduced circulation of currency, together with large purchases of securities by the Reserve Banks, enabled member banks to reduce their indebtedness to the Reserve Banks by \$780,000,000 during the year, and this liquidation of member bank indebtedness has been an important factor in the prevailing ease in the money market.

Comparison between different sections of the country brings out the fact that there was a considerable growth of credit at New York City banks, accounted for in part by larger security loans to New York brokers. During the period of heavy speculation on the stock market in 1929, the high rates for money had attracted a large volume of funds from corporations and individuals, and at that time these funds represented a very large part of the total amount of money lent to brokers. Since then about \$4,000,000,000 of these funds have been withdrawn and out-of-town banks have also called home a considerable portion of their funds from New York. These withdrawals have been due chiefly to the very rapid decline of rates paid for funds loaned on the stock market. The withdrawals have been so large that, notwithstanding the drastic decrease in the total demand for credit by brokers, New York banks have had to take over a small portion of these loans. But the abundance of funds in the hands of the New York banks is indicated by the fact that in addition to taking over these brokers' loans they have bought \$400,000,000 in securities and reduced their indebtedness to the Reserve Bank and to others.

At banks outside central reserve cities the course of bank credit was similar to that at the New York banks, except that at these banks the principal increase in open-market loans was in commercial paper. At country banks, however, there was liquidation all along the line. They suffered a large withdrawal of deposits, owing to the decline in the value of agricultural products, and a decrease in their loans to customers was accompanied by withdrawals of funds from the open market. These banks, however, were also able to reduce their indebtedness to the Reserve Banks, and their ratio of loans to deposits declined.

In comparison with the depression in 1920-1921 the present period shows distinct differences, and differences that are encouraging from the banking point of view. There are not now, as there were then, large stocks of unsalable commodities against which the banks carried a heavy burden of loans; the transportation system is not now, as it was then, in a condition approaching collapse; on the contrary, it is in a state of splendid efficiency; and, finally, the Federal Reserve Banks are not now, as they were then, close to the limits of their lending power. On the contrary, they have ample reserves and stand ready to finance a growing volume of business as soon as signs of recovery express themselves in an increasing demand for credit. That day cannot arrive too soon to please any of us.

I thank you for your attention. [Applause.]

CHAIRMAN HOWE. Much has been said about banks stimulating business during these depressed times. It strikes me that banks cannot stimulate business. The banking business follows general business either up or down.

It may be heresy to say this here — and I am not an economist — but it strikes me that the best thing that could be done to stimulate business here and throughout the world, would be the cancellation of our war debts outside of the reparations plan. I do not suppose that could be done because we could not educate ourselves or our people.

Your committee has asked Governor Cox to prepare appropriate resolutions in memory of Governor Harding who has passed away since our last meeting. Governor Cox.

*MINUTE PRESENTED AND READ BY Hon. Channing H. Cox,
Vice-President, The First National Bank of Boston.*

“William Proctor Gould Harding became Governor of the Federal Reserve Bank of Boston on January 11, 1923, and held that position until his death on April 7, 1930. Before coming to New England, the home of his ancestors, he had enjoyed a career of highest distinction as the head of a large commercial bank in his native State of Alabama, and then for two years a member and for six years Governor of the Federal Reserve Board. As the head of the most important body dealing with banking administration during the time our nation was at war and immediately thereafter during the trying time of necessary post-war adjustments, his leadership was marked by executive ability, sincerity of purpose, and an understanding of financial and economic conditions. He will be gratefully remembered for his splendid contribution to the successful operation of the Federal Reserve System and its development for the benefit of the whole financial and industrial world.

Here in Boston we knew him as a trusted counsellor and guide, as a man of superb intellectual attainments, as a defender of the Federal Reserve System, as one ever alert to strengthen the institution which he headed. His imagination called into being these annual gatherings of the stockholders of this district, and his presence and interest and discussion made these occasions of real value to us.

The stockholders of the First Federal Reserve District, in annual meeting assembled, would record their appreciation of the service of Governor Harding as the chief executive of the Federal Reserve Bank of Boston. We recall with gratitude his striking devotion to his responsibilities even unto the very end of his days.

In his death we have sustained a great loss. We shall miss sadly his strong personality. We shall treasure forever the memory of a warm-hearted friend.”

Mr. Chairman, I move that the above be adopted as the sentiment of this meeting.

[The resolution was unanimously carried, the members rising.]

CHAIRMAN HOWE. I have suggested to the secretary that these resolutions be engrossed and hung in the Directors' room or wherever the officials of the Federal Reserve Bank would like to have them.

Is there any other business to come before this meeting?

Are there any other resolutions which member bank representatives desire to have referred to the Resolutions Committee at this time? According to a vote adopted some years ago a resolution to be considered by the Committee should be submitted so that copies of it can be mailed to all member banks ten days before the meeting but a resolution can be presented now and referred to the Committee on a vote of three-fourths of the delegates present.

The Resolutions Committee will meet in the Conference Room from 1:15 to 2:00 o'clock, and at 2:00 o'clock we will get together here again.

This meeting will stand adjourned until 2:00 o'clock.

[Whereupon a recess was taken until 2:00 P. M.]

AFTERNOON SESSION

CHAIRMAN HOWE. The meeting will please come to order.
The Committee on Resolutions is ready to report.

REPORT OF COMMITTEE ON RESOLUTIONS

By Mr. Albert R. Plant, Committee Chairman.

The Committee on Resolutions held a meeting and considered the resolution, a copy of which you have all received in advance of the meeting.

There was just one change suggested in the next to the last paragraph. It was thought that in the minds of some it might be considered a little too rigid if this meeting went on record as expressing the opinion that no changes in the Federal Reserve Act should be made until Congress has given consideration to the entire matter, as some changes, such as the matters to which Governor Young referred this morning, may be made and perhaps should be adopted without further consideration.

So that, as presented to you now, the preamble and the first part of the resolution itself, which I will not read, are as submitted to the Committee and we propose a modification of the next to the last paragraph only by adding after the word "Act" the words "so far as they relate to branch, group or chain banking or reserve requirements." As reported by the Resolutions Committee that paragraph will read as follows:

(Reading)

"Be it further resolved that in our opinion no changes in the National Banking Law or the Federal Reserve Act, so far as they relate to branch, group or chain banking or reserve requirements, should be made until the Congress of the United States has had an opportunity after adequate inquiry to take a broad view of the many problems presented."

With that change we report the resolution for consideration and recommend its adoption.

CHAIRMAN HOWE. What shall we do with the report of the Resolutions Committee?

MR. C. C. BOLLES. (Cashier, The Capitol National Bank & Trust Company, Hartford, Connecticut.) I move that it be accepted and that the resolution as reported be adopted.

[The motion was seconded and carried.]

[The resolution as thus reported and adopted reads as follows:

WHEREAS the vast changes and developments during recent years in trade, commerce, finance and industry, both in the United States and abroad, have introduced a variety of new factors into

the extension of credit by banking institutions, and bankers are alike confronted with many problems of operation under existing law and regulations and concerned with the question whether unit, branch, group or chain banking is best adapted, in view of such developments, to serve the public need; and

WHEREAS such developments have also contributed to placing our Federal Reserve System in the position of a world banking power, making it necessary for the Federal Reserve Banks to consider reserve credit policies not only from a regional, but also from a national and international, standpoint; and

WHEREAS remedial legislation may be necessary,

NOW, THEREFORE, BE IT RESOLVED that this association of stockholders of the Federal Reserve Bank of Boston refrains from any specific recommendations to the Congress of the United States at the present time regarding banking legislation but hereby respectfully commends to the Federal Reserve Board and the Federal Reserve Banks the appointment of committees to make a thorough and scientific investigation of all such factors and questions;

BE IT FURTHER RESOLVED that in our opinion no changes in the national banking law or the Federal Reserve Act, so far as they relate to branch, group or chain banking or reserve requirements, should be made until the Congress of the United States has had an opportunity after adequate inquiry to take a broad view of the many problems presented;

BE IT FURTHER RESOLVED that a copy of these resolutions be furnished to the Federal Reserve Board, to Hon. Peter Norbeck, Chairman of the Senate Committee on Banking and Currency, and to Hon. Louis T. McFadden, Chairman of the Committee on Banking and Currency of the House of Representatives.]

CHAIRMAN HOWE. Usually we have a transcript of these meetings taken by a stenographer so that the record may be printed and distributed. A motion to request the Federal Reserve Bank to arrange for the printing and distribution of the proceedings as usual will be in order.

MR. STEELE. I believe that we have all profited by having these proceedings printed, and I think that we are all indebted to the Federal Reserve Bank for doing it. I move you, Mr. Chairman, that the usual course be followed.

[The motion was seconded and carried.]

MR. PLANT. I also move that a vote of thanks be extended to the

officers and directors of the Federal Reserve Bank for the courtesies extended to us today.

[The motion was seconded and carried.]

CHAIRMAN HOWE. This is the time when we present the Chairman of the Stockholders' Advisory Committee for next year. The gentleman who will be our Chairman next year needs no introduction. He is an old campaigner. Will Mr. Thurber come up here?

Remarks of Chairman-Elect Lester F. Thurber.

I have heard at some time, or read at some time, that great men are classified as follows, — those who are born great, those who have achieved greatness, and those who have greatness thrust upon them. I am in class No. 3. My associates this morning elected me Chairman of the Stockholders' Advisory Committee for next year. But I want to assure you that I accept it with a great deal of hesitation, because I am telling you that I shall shine in reflected light.

Just eight years ago this Stockholders' Committee was conceived, and it was headed by that father and mother of the committee, Elmer A. Onthank, President of The Safety Fund National Bank of Fitchburg, and he served most acceptably and most efficiently for three years. He was succeeded by Thomas H. West, Jr., President of the Rhode Island Hospital Trust Company, who was followed by one of the best bankers in New England, in my opinion, Arthur M. Heard, President of The Amoskeag National Bank, Manchester, N. H., and he was followed by Thomas M. Steele, President, The First National Bank and Trust Company, New Haven, who is today serving as Secretary of this Stockholders' Meeting. You know what an admirable Chairman he made. He was followed by that silver-tongued orator, if you please, from the banks of the Kennebec, Charles S. Hichborn, President of The First National Granite Bank of Augusta. And last but not least this young, intrepid crusader, Florrison M. Howe, who resigned his position as Cashier of the Federal Reserve Bank of Boston and went to Providence to accept the Presidency of the great Industrial Trust Company, since which time it has erected the largest office building in New England, and while his bank is not yet the largest financial institution in New England, the First National Bank of Boston must watch its step or soon that reputation may pass to Providence.

Do you wonder that I hesitate to follow in the line of such illustrious predecessors? I only hope that, with the assistance of our very efficient secretary of the Stockholders' Advisory Committee, Mr. Carrick, we shall keep the ship afloat for another year.

Thank you. [Applause.]

CHAIRMAN HOWE. *Is there any other business to come before this meeting?* If not, a motion to adjourn is in order.

[Whereupon, on motion duly seconded, it was voted to adjourn without date.]

LIST OF REPRESENTATIVES FROM MEMBER BANKS WHO
REGISTERED AT STOCKHOLDERS' MEETING
NOVEMBER 21, 1930

Boston

Atlantic National Bank	Arthur P. Stone, Vice-President Richard F. Churchill, Assistant Cashier Olney S. Morrill, Assistant Cashier
Bank of Commerce & Trust Company	Frank J. Carens, Vice-President
Exchange Trust Company	Robert E. Fay, Vice-President John J. Martin, Jr., Vice-President
First National Bank	Philip Stockton, President Channing H. Cox, Vice-President George W. Hyde, Vice-President W. Jesse Fowler, Assistant Vice-President
Merchants National Bank	W. F. Burdett, Assistant Cashier
National Rockland Bank	William B. Carolan, Assistant Vice-President
National Shawmut Bank	R. E. Chambers, Vice-President W. R. S. Eaton, Assistant Vice-President Herbert C. Matson, New England Representative
New England Trust Company	Edward B. Ladd, Vice-President Stanley A. Lawry, Assistant Treasurer
State Street Trust Company	David E. Hersee, Vice-President
United States Trust Company	Frederick W. Stockman, Vice-President
Webster and Atlas National Bank	Raymond B. Cox, President Frank B. Butts, Cashier

Massachusetts

ABINGTON	
Abington National Bank	W. Percy Arnold, Vice-President Edmund G. Crossley, Vice-President Granville R. Farrar, Cashier
ADAMS	
First National Bank	W. W. Wilson, Cashier
Greylock National Bank	Frank Hanlon, Cashier
AMHERST	
First National Bank	Edmund W. Elwell, Cashier
ANDOVER	
Andover National Bank	Chester W. Holland, Vice-Pres. and Cashier

Massachusetts

Millers River National Bank	ATHOL	Walter M. Hunt, President
First National Bank	ATTLEBORO	Frederick G. Mason, Vice-President
First National Bank	AYER	C. A. Normand, Cashier
Second National Bank	BARRE	Clyde H. Swan, President
Beverly National Bank	BEVERLY	Edward S. Webber, Vice-Pres. and Cashier
Brockton National Bank	BROCKTON	Clarence C. Reed, Director Malcolm R. Buck, Vice-President Albert R. Ewell, Cashier
Buzzards Bay National Bank	BUZZARDS BAY	John W. Ramsay, President
Harvard Trust Company	CAMBRIDGE	Frank J. Kelly, Vice-President
National City Bank	CHELSEA	Samuel R. Cutler, President
Cohasset National Bank	COHASSET	John J. Cahill, Cashier
Concord National Bank	CONCORD	C. Fay Heywood, Vice-President
Danvers National Bank	DANVERS	Walter A. Tapley, President
Dedham National Bank	DEDHAM	Ralph W. Redman, President G. Gordon Watt, Vice-President
Lechmere National Bank	EAST CAMBRIDGE	Fred B. Wheeler, President
Everett National Bank	EVERETT	Thomas M. Greene, Vice-President
National Bank of Fairhaven	FAIRHAVEN	George B. Luther, President
B. M. C. Durfee Trust Company	FALL RIVER	John S. Brayton, President John C. Batchelder, Vice-President

Massachusetts

	FITCHBURG	
Safety Fund National Bank		Elmer A. Onthank, President Russell J. Hardy, Cashier
	FRAMINGHAM	
Framingham National Bank		Fred L. Oakes, President Lyman H. Hooker, Cashier
	FRANKLIN	
Franklin National Bank		J. E. Barber, Vice-President and Cashier
	FOXBORO	
Foxboro National Bank		Fred H. Richards, Cashier
	GARDNER	
First National Bank		Amasa B. Bryant, President Marcus N. Wright, Cashier
	GREENFIELD	
First National Bank & Trust Company		D. Rollin Alvord, Cashier
	HAVERHILL	
Essex National Bank		Harold M. Goodwin, Vice-President
First National Bank		Charles E. Dole, President
Haverhill National Bank		Herman E. Lewis, President
	HOLYOKE	
The Park National Bank		John M. Henderson, Cashier
	HOPKINTON	
Hopkinton National Bank		H. E. Corwin, Cashier
	HUDSON	
Hudson National Bank		Dr. Norman M. Hunter, President Fred H. Fosgate, Cashier
	HYANNIS	
The Barnstable County National Bank		Augustus T. Beatey, President Harry I. Gifford, Cashier
	IPSWICH	
First National Bank		Charles M. Kelly, Cashier
	LAWRENCE	
Bay State National Bank		John A. Perkins, Director Philip L. Wheeler, Cashier
Merchants Trust Company		H. L. Sherman, President A. C. Dame, Treasurer
	LEE	
Lee National Bank		Frank J. Diamond, Cashier

Massachusetts

	LENOX	
Lenox National Bank		James D. Cameron, Cashier
	LEOMINSTER	
Leominster National Bank		E. H. Saxton, Director Fred A. Young, President
Merchants National Bank		John M. McPhee, President
	LOWELL	
Appleton National Bank		Howard I. Large, Cashier
Middlesex National Bank		James E. O'Donnell, President
Union Old Lowell National Bank		John F. Sawyer, President Walter W. Cleworth, Vice-Pres. and Cashier
	LYNN	
Manufacturers National Bank		Walter M. Libbey, President E. I. Foster, Cashier M. L. Hipson, Assistant Cashier
National City Bank		Arthur W. Pinkham, President F. E. Bruce, Vice-Pres. and Cashier
Sagamore Trust Company		Charles A. Littlefield, Director Philip E. Bessom, President
	MALDEN	
First National Bank		Walter E. Piper, Director
Second National Bank		B. F. Griffin, Director
	MANSFIELD	
First National Bank		Justin L. Cobb, President Ira C. Gray, Cashier
	MARLBORO	
First National Bank		George E. Greeley, Cashier
The Peoples National Bank		Stillman R. Stevens, President
	MEDFORD	
First National Bank in Medford		John D. Corley, Cashier Henry L. Caughlin, Assistant Cashier
	METHUEN	
Methuen National Bank		Edward F. Byrnes, Director Frank M. Andrew, President
	MILFORD	
Home National Bank		J. Allen Wallace, Cashier
Milford National Bank and Trust Company		Victor W. Collier, President
	MILLBURY	
Millbury National Bank		Ralph W. Brigham, Vice-Pres. and Cashier

Massachusetts

NEEDHAM

Needham National Bank Vernal E. Kezer, Cashier

NEW BEDFORD

First National Bank Irving W. Cook, President
Louis W. Tilden, Assistant Cashier
Merchants National Bank Edmund H. Leland, President
Safe Deposit National Bank William S. Cook, President

NEWBURYPORT

First and Ocean National Bank Norman Russell, Director
L. S. Finger, Vice-President
Merchants National Bank Ralph A. Webb, Assistant Cashier

NEWTON

Newton National Bank James B. Melcher, Cashier
Newton Trust Company Seward W. Jones, President
William M. Cahill, Treasurer

NORTH ADAMS

North Adams National Bank W. H. Pritchard, President

NORTHAMPTON

The First National Bank Edward L. Shaw, President
Northampton National Bank & Trust Company Ellery L. Vogel, President

NORTH ATTLEBOROUGH

Manufacturers National Bank John L. Thompson, President
Ernest C. Mulvey, Cashier

NORTH BROOKFIELD

North Brookfield National Bank Harry E. Whitcomb, President

NORTH EASTON

First National Bank of Easton Frank R. Tufts, Cashier

NORTHFIELD

The Northfield National Bank Dr. Allen H. Wright, Director
William F. Hoehn, President

NORWOOD

Norwood Trust Company Walter F. Tilton, President
Roland K. Bullard, Treasurer

ORANGE

Orange National Bank Frank A. Howe, President
Franklin H. Gath, Cashier

PALMER

Palmer National Bank Louis J. Brainerd, President
Howard S. Curtis, Cashier

Massachusetts

Warren National Bank	PEABODY	Harry E. Trask, Cashier
Agricultural National Bank	PITTSFIELD	Henry M. White, Assistant Cashier
Pittsfield-Third National Bank and Trust Company		Monture A. Andrew, Vice-President Malcolm W. Lehman, Vice-Pres. and Cashier
Old Colony National Bank	PLYMOUTH	George L. Gooding, President
The Plymouth National Bank		Edward R. Belcher, President
The First National Bank	PROVINCETOWN	Horace F. Hallett, Vice-Pres. and Cashier
National Mount Wollaston Bank	QUINCY	George F. Hall, Cashier
First National Bank	READING	Philip H. Tirrell, Director C. C. White, Vice-President
Merchants National Bank	SALEM	Josiah H. Gifford, Vice-President Carl F. A. Morse, Cashier
Shelburne Falls National Bank	SHELBURNE FALLS	Frank S. Field, Cashier
Somerville National Bank	SOMERVILLE	Joseph E. Gendron, President
Spencer National Bank	SPENCER	Arthur F. Warren, Director Nathan E. Craig, Vice-President Sidney H. Swift, Cashier
Springfield Chapin National Bank and Trust Company	SPRINGFIELD	B. W. Grumsey, Director Ernest J. Wheeler, Vice-President
Third National Bank and Trust Company		B. Q. Bond, President Harlan S. Kaplinger, Vice-President George C. Stebbins, Vice-President
Housatonic National Bank	STOCKBRIDGE	Ralph E. Heath, President
Machinists National Bank	TAUNTON	William O. Kingman, President

Massachusetts

Townsend National Bank	TOWNSEND	C. B. Willard, President
Crocker National Bank	TURNERS FALLS	W. J. Morgan, Cashier
Blackstone National Bank	UXBRIDGE	H. C. Bridges, Cashier
Waltham Trust Company	WALTHAM	Shirley H. Eldridge, President Clifford S. Cobb, Senior Vice-President
National Bank of Wareham	WAREHAM	John C. Makepeace, President Joseph W. Whitcomb, Cashier
Union Market National Bank	WATERTOWN	John F. Tufts, President
First National Bank Webster National Bank	WEBSTER	William A. Cash, Cashier Luman H. Tiffany, President
First National Bank	WESTBORO	E. H. Bigelow, Cashier
First National Bank	WESTFIELD	Robert Gowdy, Director Charles E. Avery, Cashier
First National Bank	WINCHENDON	E. S. Tucker, Assistant Cashier
Winchester National Bank Winchester Trust Company	WINCHESTER	William A. Kneeland, President Edwin M. Nelson, Cashier Charles E. Barrett, Treasurer
Tanners National Bank Woburn National Bank	WOBURN	A. Herbert Holland, Director Walter H. Wilcox, President L. Waldo Thompson, Director Sidney M. Price, Cashier
Mechanics National Bank Worcester Bank & Trust Company Worcester County National Bank	WORCESTER	T. T. Macfarland, Vice-President Walter Tufts, President
National Bank of Wrentham	WRENTHAM	Charles B. McDougald, Cashier

Maine

	AUGUSTA	
First National Granite Bank		C. S. Hichborn, President
	BANGOR	
Merchants National Bank		Horace S. Stewart, Vice-President
	BAR HARBOR	
First National Bank		George F. Berry, Vice-President Thomas Searls, Cashier
	BATH	
Bath National Bank		F. D. Hill, Vice-President and Cashier
First National Bank		Charles V. Minott, Director Daniel Williams, Assistant Cashier
	BIDDEFORD	
First National Bank		H. T. Waterhouse, President A. F. Maxwell, Vice-President
	BRUNSWICK	
First National Bank		Samuel L. Forsaith, Cashier William H. Farrar, Assistant Cashier
	CALAIS	
Calais National Bank		Percy L. Lord, President
	DAMARISCOTTA	
First National Bank		Leon A. Dodge, Cashier
	EASTPORT	
Frontier National Bank		Leo T. Creary, Cashier
	ELLSWORTH	
Union Trust Company		H. H. Gray, Director O. W. Tapley, President
	FARMINGTON	
First National Bank		A. L. Wolcott, Cashier
	FORT FAIRFIELD	
Fort Fairfield National Bank		Tom E. Hacker, President
	FORT KENT	
First National Bank		Irenee Cyr, Cashier
	HOULTON	
Farmers National Bank		R. H. Britton, Cashier
	KEZAR FALLS	
Kezar Falls National Bank		O. L. Stanley, Cashier
	LEWISTON	
First National Bank		Donald C. White, Director

Maine

Norway National Bank	NORWAY	Fred E. Smith, Cashier
Pittsfield National Bank	PITTSFIELD	Henry F. Libby, Cashier
The Canal National Bank The Portland National Bank	PORTLAND	Widgery Thomas, Director Charles G. Allen, President
Presque Isle National Bank	PRESQUE ISLE	C. A. Weick, President
Rockland National Bank	ROCKLAND	Homer E. Robinson, President
Rumford National Bank	RUMFORD	Edward S. Kennard, Vice-Pres. and Cashier
Sanford National Bank Sanford Trust Company	SANFORD	Eugene M. Hewett, Cashier Thomas W. Wallace, Treasurer
Springvale National Bank	SPRINGVALE	W. P. Ferguson, Cashier
The Georges National Bank Thomaston National Bank	THOMASTON	Charles M. Starrett, Assistant Cashier J. Walter Strout, Cashier
First National Bank	VAN BUREN	John H. Plourde, Vice-President

New Hampshire

Berlin National Bank	BERLIN	M. H. Taylor, Cashier
The First National Bank	BRISTOL	William C. White, President
Claremont National Bank	CLAREMONT	Frank H. Foster, Cashier
First National Bank	CONCORD	Burns P. Hodgman, President Carl H. Foster, Vice-President
Mechanicks National Bank		Harry H. Dudley, President Harry L. Alexander, Cashier
Carroll County Trust Company	CONWAY	Frank E. Kennett, Director Charles O. Dahl, President

New Hampshire

	EXETER	
Rockingham National Bank		F. W. Peet, Cashier
	FARMINGTON	
Farmington National Bank		O. M. Hussey, Director E. H. Thomas, Vice-President Frederick Clements, Cashier
	FRANKLIN	
Franklin National Bank		A. L. Smythe, Cashier
	GROVETON	
Coos County National Bank		S. W. Cushing, Cashier
	HANOVER	
Dartmouth National Bank		Perley R. Bugbee, President
	KEENE	
Cheshire National Bank		Walter R. Porter, Cashier
Keene National Bank		H. I. Chandler, Cashier
	LACONIA	
Laconia National Bank		William F. Knight, President Charles J. Hayford, Assistant Cashier
Peoples National Bank		George P. Munsey, President
	LANCASTER	
Lancaster National Bank		H. A. Moore, Vice-President W. H. McCarten, Cashier
	MANCHESTER	
Amoskeag National Bank		Arthur M. Heard, President H. E. Straw, Cashier
First National Bank		H. A. Holbrook, Cashier
Manchester National Bank		N. S. Bean, President E. B. Stearns, Vice-President and Cashier
Merchants National Bank		Harry L. Additon, Vice-Pres. and Cashier
	MILFORD	
Souhegan National Bank		M. G. Jewett, Cashier
	NASHUA	
Indian Head National Bank		Clarence E. Whitney, Assistant Cashier
Second National Bank		Lester F. Thurber, President
	NEW MARKET	
New Market National Bank		Arioch W. Griffiths, Vice-President

New Hampshire

PORTSMOUTH

First National Bank	Frank E. Brooks, Director Fred A. Gray, Director R. Clyde Margeson, Director Charles H. Walker, Director R. W. Junkins, Vice-Pres. and Cashier
New Hampshire National Bank	William C. Walton, President John W. Emery, Vice-President

SOMERSWORTH

Somersworth National Bank	E. A. Leighton, Cashier
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TILTON

Citizens National Bank	Charles E. Smith, Cashier
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WINCHESTER

Winchester National Bank	James S. Kellom, Cashier
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WOODSVILLE

Woodsville National Bank	H. B. Knight, Cashier
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Vermont

BARRE

Peoples National Bank	W. C. Johnson, Jr., Vice-President
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BELLOWS FALLS

The National Bank of Bellows Falls	Walter B. Glynn, President
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BENNINGTON

County National Bank	H. L. Hall, Director
First National Bank	Arthur J. Colgan, Vice-Pres. and Cashier

BETHEL

National White River Bank	Christopher N. Arnold, Cashier
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BRADFORD

Bradford National Bank	C. A. Haskins, Cashier
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BRANDON

Brandon National Bank	Walter F. Scott, President
First National Bank	F. W. Briggs, Cashier

BRATTLEBORO

Vermont-Peoples National Bank	M. L. Houghton, President C. G. Staples, Vice-President C. A. Brown, Cashier
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BRISTOL

First National Bank	Ralph S. Brown, Cashier
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Vermont

	BURLINGTON	
Howard National Bank		E. E. Clarkson, President
Merchants National Bank		C. E. Brigham, Vice-President
	CHESTER	
National Bank of Chester		Percy E. Heald, Cashier
	DERBY LINE	
The National Bank of Derby Line		T. Frank O'Rourke, Director D. W. Davis, President
	ENOSBURG FALLS	
First National Bank		A. J. O'Heare, Cashier
	MANCHESTER CENTER	
Factory Point National Bank		W. H. Roberts, Vice-Pres. and Cashier
	MIDDLEBURY	
National Bank of Middlebury		Peter J. Hincks, Cashier
	MONTPELIER	
First National Bank		R. R. Edson, Assistant Cashier
Montpelier National Bank		Harold L. Pierce, Assistant Cashier
	NEWPORT	
National Bank of Newport		James E. McCarten, President F. R. Sherman, Vice-President
	NORTH BENNINGTON	
First National Bank		Myron H. Jones, Teller
	NORTHFIELD	
Northfield National Bank		Alson B. Edgerton, Vice-President
	RANDOLPH	
Randolph National Bank		John H. DuBois, President Joseph W. Raymond, Director
	RUTLAND	
Clement National Bank		Henry G. Smith, President
Killington National Bank		A. C. Hughes, Cashier
Rutland County National Bank		Robert D. Smith, Cashier
	ST. ALBANS	
Welden National Bank		B. R. Corliss, Cashier
	ST. JOHNSBURY	
First National Bank		Homer E. Smith, Cashier
Merchants National Bank		James Cosgrove, Director J. F. Puffer, Cashier

Vermont

	VERGENNES	
National Bank of Vergennes		Arthur W. Norton, President
	WINDSOR	
State National Bank		Walter J. Saxie, Cashier
	WOODSTOCK	
Woodstock National Bank		H. C. Cushing, President

Rhode Island

	NEWPORT	
Aquidneck National Exchange Bank and Savings Co.		H. Lloyd Rooney, Director
		James W. Thompson, Vice-Pres. and Cashier
Newport National Bank		William A. Leys, Director
	PROVIDENCE	
Blackstone Canal National Bank		Albert R. Plant, President
Industrial Trust Company		Florrimon M. Howe, President
Mechanics National Bank		Frederick A. Church, Assistant Cashier
National Bank of Commerce		Henry L. Wilcox, President
		Irving S. Orx, Representative State of Rhode Island
Phenix National Bank		George H. Newhall, Bank Commissioner
		James E. Thompson, Vice-President
Providence National Bank		Earl G. Batty, Vice-Pres. and Cashier
Rhode Island Hospital Trust Company		George H. Capron, Secretary
		Sumner E. Simmons, Assistant Secretary
Union Trust Company		Walter F. Farrell, President
	WEST WARWICK	
Centreville National Bank of Warwick		Everett W. Whitford, President

Connecticut

	ANSONIA	
Ansonia National Bank		Jay S. Buckley, Cashier
	DANIELSON	
The Windham County National Bank		Charles A. Tillinghast, Vice-Pres.
		Ralph H. Dunbar, Cashier
	DEEP RIVER	
Deep River National Bank		Eugene S. Lord, Cashier

Connecticut

ESSEX

The Essex National Bank

H. B. Barnes, Cashier

HARTFORD

The Capitol National Bank & Trust Company Calvin C. Bolles, Cashier
Dana T. Leavenworth, Assistant Secretary

First National Bank

James W. Knox, President
Robert A. Boardman, Vice-President

Hartford National Bank and Trust Company George F. Kane, Vice-Pres.

Phoenix State Bank and Trust Company A. D. Johnson, Vice-President

LITCHFIELD

First National Bank

Albert W. Clock, Cashier

MERIDEN

First National Bank

Floyd Curtis, President

Meriden National Bank

Harris S. Bartlett, President

MIDDLETOWN

The Central National Bank

Edward F. Slavin, Vice-President

First National Bank

Stanley R. Camp, Director
Fred W. Trevithick, Director
E. Dudley Butler, President
Elton E. Clark, Cashier

The Middletown National Bank and Trust Company

Ansel A. Packard, Director
Francis A. Beach, President

NEW BRITAIN

The City National Bank

Paul K. Rogers, President

New Britain National Bank

F. S. Chamberlain, President
W. H. Judd, Cashier

NEW HAVEN

First National Bank and Trust Company

Thomas M. Steele, President
Warren M. Crawford, Cashier

The Merchants National Bank

Joseph H. Allen, Cashier

The Second National Bank

Eugene G. Allyn, President
Frederic E. Hudson, Cashier

NEW LONDON

The National Bank of Commerce Earle W. Stamm, Vice-Pres. and Cashier
National Whaling Bank Harold G. Pond, President

NEW MILFORD

First National Bank

R. E. Murphy, Cashier

Connecticut

NORWICH

The Uncas-Merchants National Bank
Charles D. Greenman, Vice-Pres. and Cashier

PLANTSVILLE

Plantsville National Bank Edward L. Sullivan, Cashier

PUTNAM

Citizens National Bank Arthur E. Smith, Cashier

ROCKVILLE

Rockville National Bank William F. Partridge, Assistant Cashier

SOUTH MANCHESTER

The Manchester Trust Company R. LaMotte Russell, President

WALLINGFORD

First National Bank Frederic M. Cowles, President

WILLIMANTIC

The Windham National Bank Edgar E. Bass, Vice-President
H. C. Pollard, Cashier